



CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Agenda

City Council Regular Meeting

City Council Chambers | 50 Natoma Street, Folsom CA 95630

April 14, 2020

6:30 PM

Welcome to Your City Council Meeting

We welcome your interest and involvement in the city's legislative process. This agenda includes information about topics coming before the City Council and the action recommended by city staff. You can read about each topic in the staff reports, which are available on the city website and in the Office of the City Clerk. The City Clerk is also available to answer any questions you have about City Council meeting procedures.

Participation

If you would like to provide comments to the City Council, please:

- Fill out a blue speaker request form, located at the back table.
- Submit the form to the City Clerk before the item begins.
- When it's your turn, the City Clerk will call your name and invite you to the podium.
- Speakers have three minutes, unless the presiding officer (usually the mayor) changes that time.

Reasonable Accommodations

In compliance with the Americans with Disabilities Act, if you are a person with a disability and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (916) 461-6035, (916) 355-7328 (fax) or cfreemantle@folsom.ca.us. Requests must be made as early as possible and at least two full business days before the start of the meeting.

How to Watch

The City of Folsom provides three ways to watch a City Council meeting:

In Person



City Council meetings take place at
City Hall, 50 Natoma Street

Online



Watch the livestream and replay past
meetings on the city website,
www.folsom.ca.us

On TV



Watch live and replays of meetings on
Sac Metro Cable TV, Channel 14

More information about City Council meetings is available at the end of this agenda



CITY OF
FOLSOM
DISTINCTIVE BY NATURE

City Council Regular Meeting

Folsom City Council Chambers
50 Natoma Street, Folsom, CA
www.folsom.ca.us

Tuesday, April 14, 2020 6:30 PM

Sarah Aquino, Mayor

Ernie Sheldon, Vice Mayor
Kerri Howell, Council Member

Roger Gaylord, Council Member
Mike Kozlowski, Council Member

REGULAR CITY COUNCIL AGENDA

Pursuant to Governor Newsom's Executive Order N-29-20, members of the Folsom City Council and staff may participate in this meeting via teleconference.

Due to the coronavirus (COVID-19) public health emergency, the City of Folsom is allowing for remote public input during City Council meetings. Members of the public are encouraged to participate by emailing comments to CityClerkDept@folsom.ca.us. Emailed comments must be received no later than thirty minutes before the meeting and will be read aloud at the meeting during the agenda item. Please make your comments brief. Written comments submitted and read into the public record must adhere to the principles of the three-minute speaking time permitted for in-person public comment at City Council meetings.

Members of the public may continue to participate in the meeting in person at Folsom City Hall, 50 Natoma Street, Folsom, CA while maintaining appropriate social distancing.

CALL TO ORDER

ROLL CALL:

Council Members: Kozlowski, Sheldon, Gaylord, Howell, Aquino

The City Council has adopted a policy that no new item will begin after 10:30 p.m. Therefore, if you are here for an item that has not been heard by 10:30 p.m., you may leave, as the item will be continued to a future Council Meeting.

PLEDGE OF ALLEGIANCE

AGENDA UPDATE

BUSINESS FROM THE FLOOR:

Members of the public are entitled to address the City Council concerning any item within the Folsom City Council's subject matter jurisdiction. Public comments are limited to no more than three

minutes. Except for certain specific exceptions, the City Council is prohibited from discussing or taking action on any item not appearing on the posted agenda.

CONSENT CALENDAR:

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. City Council Members may pull an item for discussion.

1. Approval of the March 10, 2020 Special/Regular Meeting Minutes
2. Approval of the March 16, 2020 Emergency Meeting Minutes
3. Approval of the March 27, 2020 Special Meeting Minutes
4. Proclamation of the Mayor of the City of Folsom Proclaiming April 12-18, 2020 as National Public Safety Telecommunicators Week in the City of Folsom
5. Proclamation of the Mayor of the City of Folsom Proclaiming May 7, 2020 as Big Day of Giving in the City of Folsom
6. Receive and File the City of Folsom, the Folsom Redevelopment Successor Agency, the Folsom Public Financing Authority, the Folsom Ranch Financing Authority, and the South of 50 Parking Authority Monthly Investment Reports for the Month of December 2019
7. Toll Brothers at Folsom Ranch - Northwest Corner of White Rock Road and East Bidwell Street in the Folsom Plan Area (PN 19-091)
 - a. Ordinance No. 1301 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Easton Valley Holdings, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)
 - b. Ordinance No. 1302 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Oak Avenue Holdings LLC, and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)
 - c. Ordinance No. 1303 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and West Scott Road, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)
 - d. Ordinance No. 1304 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Folsom Real Estate South, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)
8. Resolution No. 10402 - A Resolution Authorizing the City Manager to Execute a Construction Agreement with VSS International, Inc. for the Pavement Resurfacing Fiscal Year 2019-20 Project and Appropriation of Funds
9. Resolution No. 10403 – A Resolution Authorizing the City Manager to Execute an Agreement for the Purchase, Diversion and Processing of Commercial Recyclable Materials with Recycling Industries, Inc. and Appropriation of Funds
10. Resolution No. 10404 - A Resolution Authorizing the City Manager to Execute a Subdivision Improvement Agreement and Accept Offers of Dedication for the Enclave at Folsom Ranch Subdivision, and Approval of the Final Map for the Enclave at Folsom Ranch Subdivision

- [11.](#) Resolution No. 10405 - A Resolution Amending the Financial Policies of the City of Folsom as Adopted by Resolution No. 7332 and Amended by Resolution No. 8367 Regarding Grant Administration
- [12.](#) Resolution No. 10407 - A Resolution Authorizing the City Manager to Execute a Construction Agreement with Central Valley Engineering and Asphalt, Inc. for the East Bidwell Street Widening and Sidewalk Project and Appropriation of Funds
- [13.](#) Resolution No. 10412 - Authorizing the Police Department to Accept a State of California, Department of Public Health, Food and Drug Branch, Tobacco Enforcement Section, Stop Tobacco Access To Kids Enforcement (STAKE) Grant In The Amount Of \$102,606 and Appropriation of Funds
- [14.](#) Resolution No. 10413 - A Resolution Authorizing Adoption of an Addendum to the Memorandum of Understanding between the City of Folsom and the Folsom Middle Management Group for the period from January 1, 2020 thru December 31, 2022
- [15.](#) Resolution No. 10416 – A Resolution Authorizing the City Manager to Execute an Agreement with James Day Construction, Inc., a California Corporation, dba Coastal Mountain Electric for Construction of the Zone 4 Generator Improvement Project and Appropriation of Funds
- [16.](#) Resolution No. 10418- A Resolution Adopting an Updated Fee Schedule by Adding “Patient Assessment/Treatment- No Transport” to the Ambulance Cost Recovery Program Provided by the Fire Department

PUBLIC HEARING:

- [17.](#) Resolution No. 10399 - A Resolution to Amend the Empire Ranch Specific Plan to Increase the Maximum Number of Stories for Single-Family Residences from Two-Stories to Two and One-Half Stories (Without Changing the Maximum Building Height of 35 Feet), to Increase the Maximum Lot Coverage for Single-Story Residences from 45% to 50%, and to Allow Single-Story Homes Situated on Downslope Lots to Build Out the Lower Level Basement Area to a Maximum of 25% of the Floor Area of the Primary Floor Area for the Empire Ranch Specific Plan Amendment Project **(continued from the March 10, 2020 meeting)**

OLD BUSINESS:

- [18.](#) Resolution No. 10411 - A Resolution of the City Council Confirming Emergency Order DES-02-20 Issued by the Director of Emergency Services

NEW BUSINESS:

- [19.](#) Community Facilities District No. 23 (Folsom Ranch)
 - a. Resolution No. 10414 – A Resolution of the City Council of the City of Folsom Appointing Consultants, Approving a Proposed Boundary Map and Declaring Intention to Form a Community Facilities District to be Named “City of Folsom Community Facilities District No. 23 (Folsom Ranch)” and to Levy Special Taxes therein
 - b. Resolution No. 10415 – A Resolution of the City Council of the City of Folsom Declaring the Necessity for Incurring Bonded Indebtedness in and for the City of Folsom Community Facilities District No. 23 (Folsom Ranch) and in and for each Improvement Area Designated therein and Calling for a Public Hearing thereon
- [20.](#) Resolution No. 10410 - A Resolution of the City of Folsom Approving an Affordable Housing Loan in the Amount of \$4,150,000 from the City's Housing Fund to Bidwell Place, LP, Authorizing the City Manager to Execute a Loan Agreement and Related Documents, and

Authorizing the Use of Sewer Fee Credits for the Construction of 75 Affordable Housing Units at the Bidwell Place Multi-Family Affordable Housing Development and Appropriation of Funds

21. Resolution No. 10417 - A Resolution Approving the Draft Transportation Expenditure Plan for the Proposed Sacramento County 2020 Transportation Sales Tax Ballot Measure

CITY MANAGER REPORTS:

COUNCIL COMMENTS:

ADJOURNMENT

***NOTICE:** Members of the public are entitled to directly address the City Council concerning any item that is described in the notice of this meeting, before or during consideration of that item. If you wish to address Council on an issue, which is on this agenda, please complete a blue speaker request card, and deliver it to a staff member at the table on the left side of the Council Chambers prior to discussion of the item. When your name is called, stand to be recognized by the Mayor and then proceed to the podium. If you wish to address the City Council on any other item of interest to the public, when the Mayor asks if there is any "Business from the Floor," follow the same procedure described above. Please limit your comments to three minutes or less.*

***NOTICE REGARDING CHALLENGES TO DECISIONS:** Pursuant to all applicable laws and regulations, including without limitation, California Government Code Section 65009 and or California Public Resources Code Section 21177, if you wish to challenge in court any of the above decisions (regarding planning, zoning and/or environmental decisions), you may be limited to raising only those issues you or someone else raised at the public hearing(s) described in this notice/agenda, or in written correspondence delivered to the City at, or prior to, the public hearing.*

As presiding officer, the Mayor has the authority to preserve order at all City Council meetings, to remove or cause the removal of any person from any such meeting for disorderly conduct, or for making personal, impertinent, or slanderous remarks, using profanity, or becoming boisterous, threatening or personally abusive while addressing said Council, and to enforce the rules of the Council.

PERSONS INTERESTED IN PROPOSING AN ITEM FOR THE CITY COUNCIL AGENDA SHOULD CONTACT A MEMBER OF THE CITY COUNCIL.

The meeting of the Folsom City Council is being telecast on Metro Cable TV, Channel 14, the Government Affairs Channel, and will be shown in its entirety on the Friday and Saturday following the meeting, both at 9 a.m. The City does not control scheduling of this telecast and persons interested in watching the televised meeting should confirm this schedule with Metro Cable TV, Channel 14. The City of Folsom provides live and archived webcasts of regular City Council meetings. The webcasts can be found on the online services page of the City's website www.folsom.ca.us.

In compliance with the Americans with Disabilities Act, if you are a person with a disability and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (916) 461-6035, (916) 355-7328 (fax) or cfreemantle@folsom.ca.us. Requests must be made as early as possible and at least two full business days before the start of the meeting.

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City Council Special Meeting

MINUTES

Tuesday, March 10, 2020 6:30 PM

CALL TO ORDER

The regular City Council meeting was called to order at 6:30 p.m. in City Council Chambers, 50 Natoma Street, Folsom, California, with Mayor Sarah Aquino presiding.

ROLL CALL:

Council Members Present: Kerri Howell, Council Member
 Mike Kozlowski, Council Member
 Ernie Sheldon, Vice Mayor - *City Clerk Christa Freemantle advised that Vice Mayor Sheldon will be participating by telephone as noticed on the agenda.*
 Sarah Aquino, Mayor

Council Members Absent: Roger Gaylord, Council Member

Staff Present: Assistant City Manager Jim Francis
 City Attorney Steve Wang
 City Clerk Christa Freemantle

ADJOURNMENT TO CLOSED SESSION FOR THE FOLLOWING PURPOSES:

1. Conference with Legal Counsel - Anticipated Litigation, Initiation of Litigation Pursuant to Government Code Sections 54954.5(c) and 54956.9(d)(4): Two cases

Motion by Council Member Kerri Howell, second by Council Member Mike Kozlowski to adjourn to closed session for the above referenced item. Motion carried with the following roll call vote:

AYES: Council Member(s): Howell, Kozlowski, Sheldon, Aquino
NOES: Council Member(s): None
ABSENT: Council Member(s): Gaylord
ABSTAIN: Council Member(s): None

RECONVENE

Announcement of Final Action, If Any

City Attorney Steve Wang advised that the City Council gave direction to the City Attorney to intervene in two cases.

ADJOURNMENT

There being no further business to come before the Folsom City Council, the meeting was adjourned at 6:30 p.m.

PREPARED AND SUBMITTED BY:

Christa Freemantle, City Clerk

ATTEST:

Sarah Aquino, Mayor

City Council Regular Meeting

MINUTES

Tuesday, March 10, 2020 6:30 PM

CALL TO ORDER

The regular City Council meeting was called to order at 6:30 p.m. in City Council Chambers, 50 Natoma Street, Folsom, California, with Mayor Sarah Aquino presiding.

ROLL CALL:

Council Members Present: Kerri Howell, Council Member
 Mike Kozlowski, Council Member
 Ernie Sheldon, Vice Mayor - *City Clerk Christa Freemantle advised that Vice Mayor Sheldon will be participating by telephone as noticed on the agenda.*
 Sarah Aquino, Mayor

Council Members Absent: Roger Gaylord, Council Member *(arrived at 7:22 p.m.)*

Staff Present: Assistant City Manager Jim Francis
 City Attorney Steve Wang
 City Clerk Christa Freemantle
 Finance Director Stacey Tamagni
 Community Development Director Pam Johns
 Public Works Director Dave Nugen

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA UPDATE

City Clerk Christa Freemantle advised that there was additional information regarding item 8.

BUSINESS FROM THE FLOOR:

None

SCHEDULED PRESENTATIONS:

1. Presentation Regarding Regional Housing Needs Assessment Schedule/Housing Element Update - Planned Process and Schedule for the Housing Element Update

City consultant Chelsea Payne, Ascent Environmental, made a presentation and responded to questions from the City Council.

CONSENT CALENDAR:

Items appearing on the Consent Calendar are considered routine and may be approved by one motion. City Council Members may pull an item for discussion.

2. Approval of the February 21, 2020 Special Meeting Minutes
3. Approval of the February 25, 2020 Special/Regular Meeting Minutes
4. *pulled for discussion*
5. Resolution No. 10397 – A Resolution Adopting a List of Projects for Fiscal Year 2020-21 to be Funded by Senate Bill 1: The Road Repair and Accountability Act
6. Resolution No. 10401 – A Resolution Directing the Preparation of Engineer's Report for the following Landscaping and Lighting Districts for Fiscal Year 2020-2021 American River Canyon North, American River Canyon North No. 2, American River Canyon North No. 3, Blue Ravine Oaks, Blue Ravine Oaks No. 2, Briggs Ranch, Broadstone, Broadstone No. 4, Broadstone Unit No. 3, Cobble Ridge, Cobble Hills Ridge II/Reflections II, Folsom Heights, Folsom Heights No. 2, Hannaford Cross, Lake Natoma Shores, Los Cerros, Natoma Station, Natoma Valley, Prairie Oaks Ranch, Prospect Ridge, Sierra Estates, Silverbrook, Steeplechase, The Residences at American River Canyon, The Residences at American River Canyon II, Willow Creek Estates East, Willow Creek Estates East No. 2, Willow Creek Estates South, and Willow Springs

Motion by Council Member Kerri Howell, second by Council Member Mike Kozlowski

to approve the Consent Calendar (with the exception of item number 4). Motion carried with the following roll call vote:

AYES: Council Member(s): Howell, Kozlowski, Sheldon, Aquino
NOES: Council Member(s): None
ABSENT: Council Member(s): Gaylord
ABSTAIN: Council Member(s): None

CONSENT CALENDAR ITEMS PULLED FOR DISCUSSION:

4. Resolution No. 10396 - A Resolution in Support of the "Reducing Crime and Keeping California Safe Act of 2020"

Police Chief Rick Hillman introduced the item, and Bill Romanelli, resident and paid consultant for the Keep California Safe initiative, shared information with the City Council regarding what the change in law would entail.

Motion by Council Member Kerri Howell, second by Council Member Mike Kozlowski to approve Resolution No. 10396. Motion carried with the following roll call vote:

AYES: Council Member(s): Howell, Kozlowski, Sheldon, Aquino
NOES: Council Member(s): None
ABSENT: Council Member(s): Gaylord
ABSTAIN: Council Member(s): None

PUBLIC HEARING:

7. Resolution No. 10399 - A Resolution to Amend the Empire Ranch Specific Plan to Increase the Maximum Number of Stories for Single-Family Residences from Two-Stories to Two and One-Half Stories (Without Changing the Maximum Building Height of 35 Feet), to Increase the Maximum Lot Coverage for Single-Story Residences from 45% to 50%, and to Allow Single-Story Homes Situated on Downslope Lots to Build Out the Lower Level Basement Area to a Maximum of 25% of the Floor Area of the Primary Floor Area for the Empire Ranch Specific Plan Amendment Project **(to be continued to the March 24, 2020 meeting)**

Motion by Council Member Kerri Howell, second by Council Member Mike Kozlowski to continue Resolution No. 10399 to the March 24, 2020 meeting. Motion carried with the following roll call vote:

AYES: Council Member(s): Howell, Kozlowski, Sheldon, Aquino
NOES: Council Member(s): None
ABSENT: Council Member(s): Gaylord
ABSTAIN: Council Member(s): None

8. Toll Brothers at Folsom Ranch - Northwest Corner of White Rock Road and East Bidwell Street in the Folsom Plan Area (PN 19-091)

- a. Resolution No. 10400 - A Resolution to Adopt an Addendum to the Folsom Plan Area

Specific Plan EIR/EIS and Approve a General Plan Amendment, Specific Plan Amendment, Small-Lot Vesting Tentative Subdivision Map, Planned Development Permit, and the Inclusionary Housing Plan for the Toll Brothers at Folsom Ranch Project

b. Ordinance No. 1301 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Easton Valley Holdings, LLC relative to the Toll Brothers at Folsom Ranch Project (Introduction and First Reading)

c. Ordinance No. 1302 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Oak Avenue Holdings, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Introduction and First Reading)

d. Ordinance No. 1303 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and West Scott Road, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Introduction and First Reading)

e. Ordinance No. 1304 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Folsom Real Estate South, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Introduction and First Reading)

Principal Planner Steve Banks made a presentation and responded to questions from the City Council.

(Council Member Roger Gaylord arrived at 7:22 pm)

Applicant Scott Esping, Toll Brothers, shared information and responded to questions from the City Council.

Mayor Sarah Aquino opened the public hearing at 7:55 pm. The following speakers addressed the City Council:

1. Justin Raithel, Planning Commissioner, expressed desire to protect trees
2. Jennifer Lane, Planning Commissioner, saying she regrets voting for this project. She read a letter from Paul Romero.
3. Barbara Leary, Planning Commissioner, referred to letter she submitted earlier and indicated she felt her approval vote was wrong and asked for item to be continued.
4. Rosario Rodriguez, remarked on attractiveness of Toll Brothers' other projects and commented that active 55+ communities are good for Folsom.

Hearing no further speakers, Mayor Sarah Aquino closed the public hearing; City Attorney Steve Wang provided additional direction regarding the addition of a condition of approval.

Motion by Council Member Mike Kozlowski, second by Council Member Kerri Howell to approve Resolution No. 10400, adding COA No. 108. Motion carried with the following roll call vote:

AYES: Council Member(s): Gaylord, Howell, Kozlowski, Sheldon, Aquino

NOES: Council Member(s): None
ABSENT: Council Member(s): None
ABSTAIN: Council Member(s): None

Motion by Council Member Kerri Howell, second by Council Member Mike Kozlowski to introduce Ordinance No. 1301. Motion carried with the following roll call vote:

AYES: Council Member(s): Gaylord, Howell, Kozlowski, Sheldon, Aquino
NOES: Council Member(s): None
ABSENT: Council Member(s): None
ABSTAIN: Council Member(s): None

Motion by Council Member Kerri Howell, second by Council Member Mike Kozlowski to introduce Ordinance No. 1302. Motion carried with the following roll call vote:

AYES: Council Member(s): Gaylord, Howell, Kozlowski, Sheldon, Aquino
NOES: Council Member(s): None
ABSENT: Council Member(s): None
ABSTAIN: Council Member(s): None

Motion by Council Member Kerri Howell, second by Council Member Mike Kozlowski to introduce Ordinance No. 1303. Motion carried with the following roll call vote:

AYES: Council Member(s): Gaylord, Howell, Kozlowski, Sheldon, Aquino
NOES: Council Member(s): None
ABSENT: Council Member(s): None
ABSTAIN: Council Member(s): None

Motion by Council Member Kerri Howell, second by Council Member Mike Kozlowski to introduce Ordinance No. 1304. Motion carried with the following roll call vote:

AYES: Council Member(s): Gaylord, Howell, Kozlowski, Sheldon, Aquino
NOES: Council Member(s): None
ABSENT: Council Member(s): None
ABSTAIN: Council Member(s): None

CITY MANAGER REPORTS

Assistant City Manager Jim Francis provided an update on COVID-19 and spoke of the upcoming Community Service Day.

COUNCIL COMMENTS

Council Member Roger Gaylord shared information from the Air Quality Control Board.

Council Member Kerri Howell urged everyone to drive carefully and spoke of collaborative regional transportation efforts.

Council Member Mike Kozlowski spoke of SACOG and school district activities.

Vice Mayor Ernie Sheldon thanked everyone for their support.

Mayor Sarah Aquino repeated thanks to Toll Brothers, Planning Commission and city staff.

ADJOURNMENT

There being no further business to come before the Folsom City Council, the meeting was adjourned at 8:32 p.m.

PREPARED AND SUBMITTED BY:

Christa Freemantle, City Clerk

ATTEST:

Sarah Aquino, Mayor

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City Council Emergency Meeting

MINUTES

Tuesday, March 16, 2020 12:00 PM

Pursuant to Governor Newsom's Executive Order N-25-20 and as noticed on the meeting agenda, members of the Folsom City Council and staff participated in this meeting via teleconference.

As required under the Brown Act, staff notified the below news media in advance of the emergency meeting:

- KCRA
- ABC 10
- CBS 13
- KMAX
- Fox 40
- Univision,
- Sac Bee
- Folsom Style
- KAHl
- Capital Public Radio
- Sacramento News & Review
- Sac Town Magazine
- Sacramento Magazine
- Folsom Telegraph

CALL TO ORDER

The meeting was called to order at 12:09 p.m., with Mayor Sarah Aquino presiding.

ROLL CALL:

Council Members Present: Roger Gaylord, Council Member
 Kerri Howell, Council Member
 Mike Kozlowski, Council Member
 Ernie Sheldon, Vice Mayor
 Sarah Aquino, Mayor

Council Members Absent: None

Staff Present: Assistant City Manager Jim Francis
 City Attorney Steve Wang
 City Clerk Christa Freemantle

BUSINESS FROM THE FLOOR:

None

NEW BUSINESS:

- 1. Resolution No. 10408 - A Resolution of the City Council of the City of Folsom Proclaiming Existence of a Local Emergency

City Manager Elaine Andersen shared information with the City Council regarding the need to proclaim a local emergency. Staff responded to questions from the City Council.

Motion by Council Member Roger Gaylord, second by Mayor Sarah Aquino to approve Resolution No. 10408. Motion carried with the following roll call vote:

AYES: Council Member(s): Gaylord, Howell, Kozlowski, Sheldon, Aquino
NOES: Council Member(s): None
ABSENT: Council Member(s): None
ABSTAIN: Council Member(s): None

CITY MANAGER REPORTS:

None

COUNCIL COMMENTS:

None

ADJOURNMENT

There being no further business to come before the Folsom City Council, the meeting was adjourned at 12:31 p.m.

PREPARED AND SUBMITTED BY:

Christa Freemantle, City Clerk

ATTEST:

Sarah Aquino, Mayor

City Council Special Meeting

MINUTES

Friday, March 27, 2020 4:00 PM

Pursuant to Governor Newsom's Executive Order N-29-20 and as noticed on the meeting agenda, members of the Folsom City Council and staff participated in this meeting via teleconference.

CALL TO ORDER

The meeting was called to order at 4:00 p.m., with Mayor Sarah Aquino presiding.

ROLL CALL:

Council Members Present: Roger Gaylord, Council Member
Kerri Howell, Council Member
Mike Kozlowski, Council Member
Ernie Sheldon, Vice Mayor
Sarah Aquino, Mayor

Council Members Absent: None

Staff Present: City Manager Elaine Andersen
Assistant City Manager Jim Francis
City Attorney Steve Wang
City Clerk Christa Freemantle

BUSINESS FROM THE FLOOR:

None

ADJOURNMENT TO CLOSED SESSION FOR THE FOLLOWING ITEM:

1. Conference with Labor Negotiator – Pursuant to Government Code Section 54957.6. Agency Negotiator: Human Resources Director James Francis. Employee Organization: Various Bargaining Groups

City Clerk Christa Freemantle read the closed session item into the record.

Motion by Council Member Kerri Howell, second by Council Member Mike Kozlowski to adjourn to closed session for the above referenced item. Motion carried with the following roll call vote:

AYES: Council Member(s): Gaylord, Howell, Kozlowski, Sheldon, Aquino
NOES: Council Member(s): None
ABSENT: Council Member(s): None
ABSTAIN: Council Member(s): None

RECONVENE CITY COUNCIL MEETING

City Attorney Steve Wang announced that no final action was taken during closed session.

NEW BUSINESS:

- 2. Resolution No. 10409 - A Resolution of the City Council Confirming Emergency Order DES-01-20 Issued by the Director of Emergency Services

City Manager Elaine Andersen presented information to the City Council.

Motion by Mayor Sarah Aquino, second by Council Member Mike Kozlowski to approve Resolution No. 10409. Motion carried with the following roll call vote:

AYES: Council Member(s): Gaylord, Howell, Kozlowski, Sheldon, Aquino
NOES: Council Member(s): None
ABSENT: Council Member(s): None
ABSTAIN: Council Member(s): None

CITY MANAGER REPORTS:

City Manager Elaine Andersen urged everyone to stay at home as much as possible and to practice appropriate social distancing.

COUNCIL COMMENTS:

The City Council Members briefly spoke of assistance efforts intended to support residents in need.

ADJOURNMENT

There being no further business to come before the Folsom City Council, the meeting was adjourned at 4:45 p.m.

PREPARED AND SUBMITTED BY:

Christa Freemantle, City Clerk

ATTEST:

Sarah Aquino, Mayor

PROCLAMATION

OF THE MAYOR OF THE CITY OF FOLSOM
PROCLAIMING April 12 – 18, 2020

as

NATIONAL PUBLIC SAFETY TELECOMMUNICATORS WEEK IN THE CITY OF FOLSOM

WHEREAS, even in times of crisis, the communications dispatchers of the City of Folsom are responsible for answering incoming calls for emergency services and dispatching assistance to help save the lives and property of our citizens; and

WHEREAS, Folsom's communications dispatchers are a vital link to our police officers, monitoring radio activity, providing information, and ensuring their safety; and

WHEREAS, the safety of our emergency responders is dependent on the quality and accuracy of information obtained from citizens who call the City of Folsom Public Safety Answering Point; and

WHEREAS, in 2019, Folsom's communications dispatchers handled approximately 105,000 telephone calls and dispatched more than 62,100 events; and

WHEREAS, in 2019, Folsom's communications dispatchers answered 98.5% of all 9-1-1 calls in 15 seconds or less; and

WHEREAS, Folsom's communications dispatchers contribute substantially to the apprehension of criminals; and

WHEREAS, Folsom's communications dispatchers exhibited compassion, understanding, and professionalism during the performance of their job in the past year.

NOW, THEREFORE, I, SARAH AQUINO Mayor of the City of Folsom on behalf of the Folsom City Council, do hereby proclaim the week of April 12 – 18, 2020 as **NATIONAL PUBLIC SAFETY TELECOMMUNICATORS WEEK** in the City of Folsom and extend our gratitude to Folsom's Communications Dispatchers for their dedicated service to our community, their diligence and commitment to keeping our City and citizens safe.

PROCLAIMED this 14th day of April 2020.

Sarah Aquino, Mayor

ATTEST:

Christa Freemantle, City Clerk

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PROCLAMATION
OF THE MAYOR OF THE CITY OF FOLSOM
PROCLAIMING MAY 7, 2020
as
BIG DAY OF GIVING
in the City of Folsom

WHEREAS, the Sacramento Region Community Foundation, a trusted resource for contributing to local and regional organizations, will host the eighth annual Big Day of Giving day on May 7, 2020, in partnership with local and regional businesses and community leaders throughout a four-county Sacramento region to encourage charitable giving; and

WHEREAS, over the past seven years more than 50,000 people in our region donated on Big Day of Giving, raising over \$40 Million that local nonprofits have used to improve the quality of life in our region; and

WHEREAS, this year over 600 nonprofits will participate in Big Day of Giving, nearly fifteen of which are located in the City of Folsom serving its residents; and

WHEREAS, Big Day of Giving is an opportunity for the City of Folsom residents to show their community pride through supporting the good work of our local nonprofits; and

WHEREAS, philanthropic investment helps hardworking nonprofits make an impact on the causes that affect us all and provides donors with a sense of ownership and pride in their community.

NOW, THEREFORE, I, SARAH AQUINO, Mayor of the City of Folsom on behalf of the Folsom City Council, do hereby proclaim **May 7, 2020,** as **Big Day of Giving** to raise the level of philanthropy in the region.

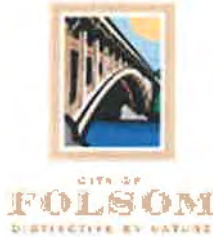
PROCLAIMED this 14th day of April 2020.

Sarah Aquino, MAYOR

Attest:

Christa Freemantle, CITY CLERK

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Folsom City Council Staff Report

MEETING DATE:	4/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Receive and File the City of Folsom, the Folsom Redevelopment Successor Agency, the Folsom Public Financing Authority, the Folsom Ranch Financing Authority, and the South of 50 Parking Authority Monthly Investment Reports for the Month of December 2019
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

The Finance Department recommends that the City Council receive and file the City of Folsom, the Folsom Redevelopment Successor Agency, the Folsom Public Financing Authority, the Folsom Ranch Financing Authority, and the South of 50 Parking Authority monthly Investment Reports for the month of December 2019.

BACKGROUND / ISSUE

Under the Charter of the City of Folsom and the authority granted by the City Council, the Finance Director is responsible for investing the unexpended cash of the City Treasury. The primary objectives of the City's investment policy are to maintain the safety of investment principal, provide liquidity to meet the short and long-term cash flow needs of the City, and earn a market-average yield on investments. The City's portfolio is managed in a manner responsive to the public trust and is consistent with state and local laws and the City's investment policy. The Finance Department hereby submits the investment reports for the City of Folsom, the Folsom Redevelopment Successor Agency, the Folsom Public Financing Authority, the South of 50 Parking Authority, and the Folsom Ranch Financing Authority for the month of December 2019.

POLICY / RULE

1. Section 3.30.010(a) of the Folsom Municipal Code states “the term ‘city’ shall encompass the city of Folsom, the Folsom community *redevelopment agency*, and all other agencies and instrumentalities of the city under either the direct or indirect control of the city council, and this chapter regulates the investment of all moneys of those agencies.”
2. Section 3.30.030(f) of the Folsom Municipal Code states that “the city’s chief investment officer shall each month submit an investment report to the city council, which report shall include all required elements as prescribed by California Government code section 53646.”
3. California Government Code, Sections 53601 through 53659 sets forth the state law governing investments for municipal governments in California.
4. Section 3.30.020(g) of the Folsom Municipal Code states that “all city cash shall be consolidated into one general bank account as set out in this code and invested on a pooled concept basis. Interest earnings shall be allocated to all city funds and subfunds according to fund and subfund cash and investment balance on at least a quarterly basis.”

ANALYSIS

Overview

The City has diversified investments in accordance with the City Investment Policy and Government Code. The City of Folsom’s total cash and investments are invested on a pooled basis as required by the Folsom Municipal Code.

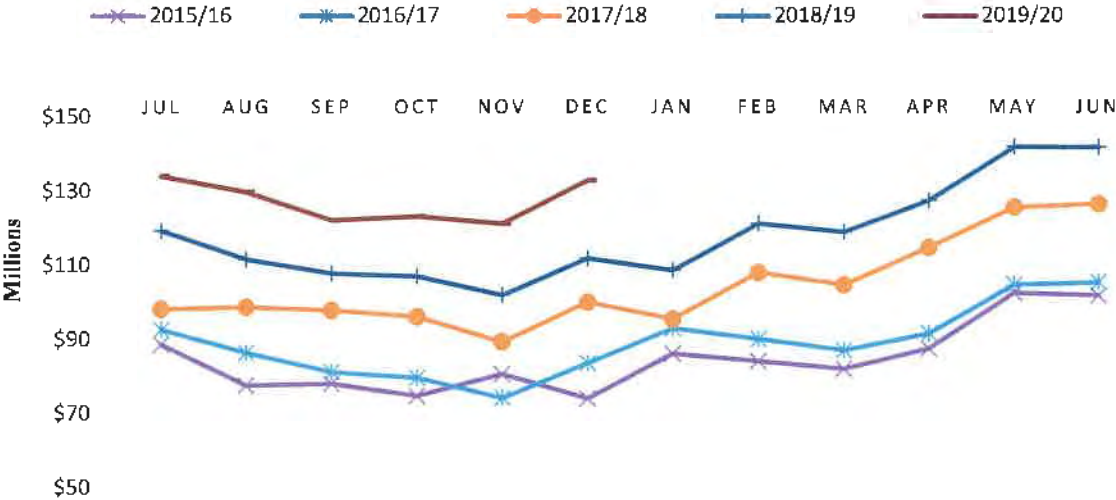
The Portfolio Summary of the City’s current report includes a “Pooled Equity Section” identifying the Redevelopment Successor Agency’s (RDSA) and Folsom Public Financing Authority’s (FPFA) portion of the investment pool. The RDSA and FPFA list these amounts under “Cash” in their respective sections. Currently, the Folsom Ranch Financing Authority (FRFA) has no funds invested in Pooled Equity.

City of Folsom

Total Cash and Investments

The following graph illustrates the City’s monthly cash and investment balances for fiscal years 2016 through 2020. Monthly fluctuations in cash and investments are the result of typical receipt of revenues less expenditures for operations, debt service, and capital improvements. As of December 31, 2019, the City’s cash and investments totaled \$132,661,948; an increase of \$20,990,948 (19%) from December 31, 2018.

City of Folsom Total Cash and Investments (Fiscal Year)

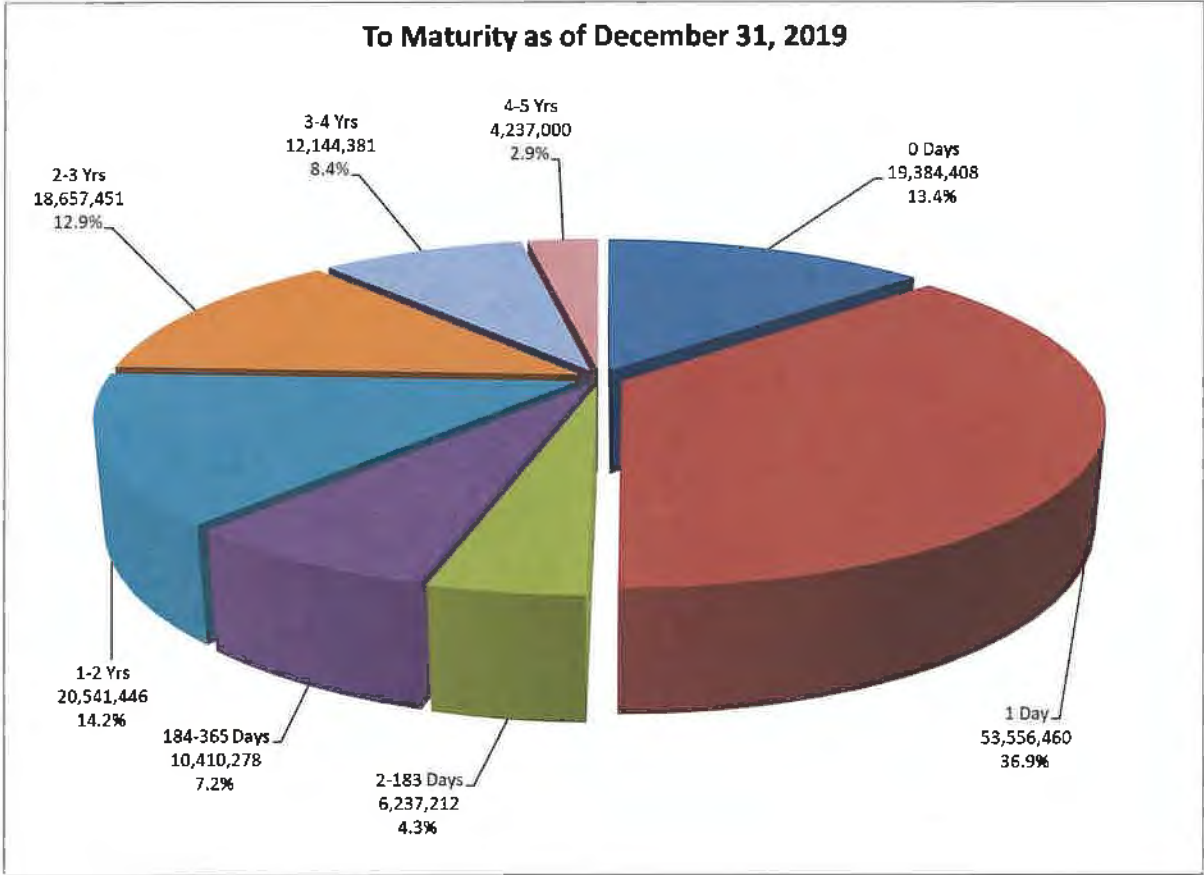


The following chart shows the City’s monthly cash and investment balances and percentage change for Fiscal Year 2019-20 along with the yearly dollar and percentage changes.

Total City Cash and Investments

	2019-20	Monthly Change	2018-19	Monthly Change	Yearly \$ Change	Yearly % Change
Jul	\$ 133,948,255		\$ 119,184,519		\$ 14,763,736	12%
Aug	\$ 129,657,395	-3%	\$ 111,476,371	-6%	\$ 18,181,024	16%
Sep	\$ 121,952,538	-6%	\$ 107,672,166	-3%	\$ 14,280,372	13%
Oct	\$ 122,996,173	1%	\$ 106,928,144	-1%	\$ 16,068,029	15%
Nov	\$ 121,112,560	-2%	\$ 101,854,232	-5%	\$ 19,258,329	19%
Dec	\$ 132,661,948	10%	\$ 111,671,000	10%	\$ 20,990,948	19%

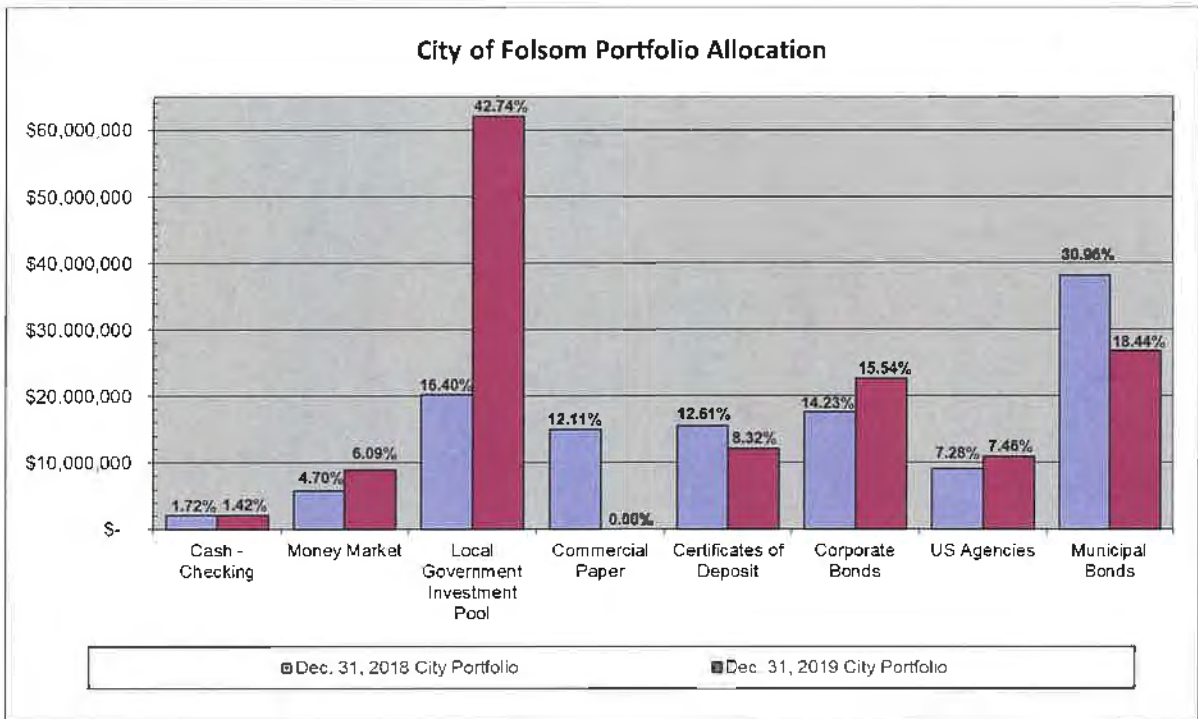
The City's projected cash needs for the next six months are sufficiently provided for by anticipated revenues and the liquidity of its cash and investments. In addition, in accordance with Section 3.30.020(c) of the Municipal Code, less than 50% of the City's total cash is invested for a period longer than one year.



Investment Performance

The City’s Portfolio Management Summary report for the month of December 2019 is presented in attachment 1 to this report. Portfolio investment earnings (including pooled equity earnings for the RDSA and FPFA) for the three-month quarter ending December 31, 2019 totaled \$780,994. The total rate of return of the investment portfolio for the same period was 2.39%.

The following graph illustrates the total dollar amount and allocation percentages for December 31, 2018 and December 31, 2019. The percentages in this graph are based on book value.

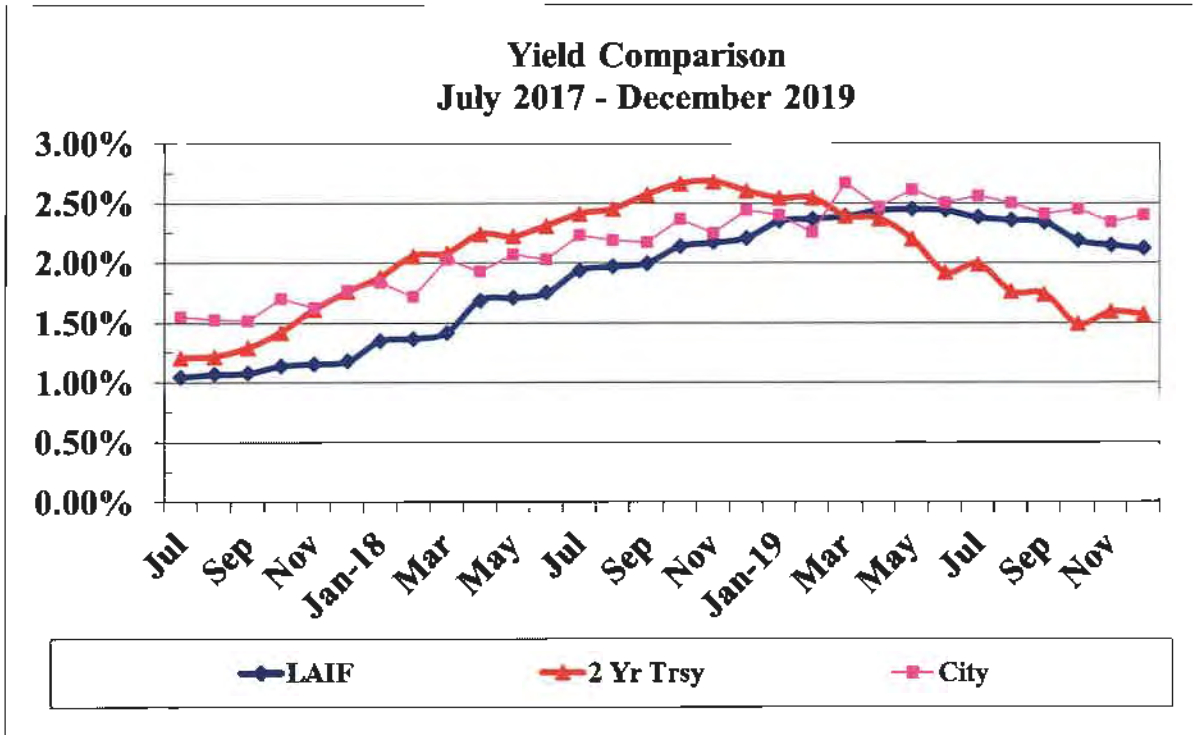


A detailed listing of the portfolio holdings as of December 31, 2019 is included in Attachment 2 to this report.

The Local Government Investment Pool (LAIF) yield typically moves in the same direction as market yields, but is less volatile, lagging somewhat behind market moves. This can be seen in the chart on the next page, illustrating the historical monthly change in yield from July 2017 through December 2019 for LAIF and two-year US Treasury securities. The effective rate of return for the City Portfolio is also included.

The Federal Open Market Committee (FOMC) raised the Federal Funds rate three times in 2017 and four times in 2018 by 25 basis points each time, peaking at 2.50% in December 2018. The Committee then reversed course in July 2019, with three cuts resulting in the Federal Funds rate at 1.75% as of December 31, 2019. As of the date of this report, the rate has since been cut once more by 50 basis points to 1.25% by the FOMC in their first unscheduled

“emergency” meeting since the 2008 financial crisis in response to economic worries stemming from the impact of the coronavirus. It is anticipated a further rate cut will occur at its next scheduled meeting March 17th & 18th (UPDATE: The FOMC cut the Federal Funds rate by 1.00% to .25% on March 16th).



A listing of transactions for the second quarter of fiscal year 2020 is included in Attachment 3 to this report.

Folsom Redevelopment Successor Agency

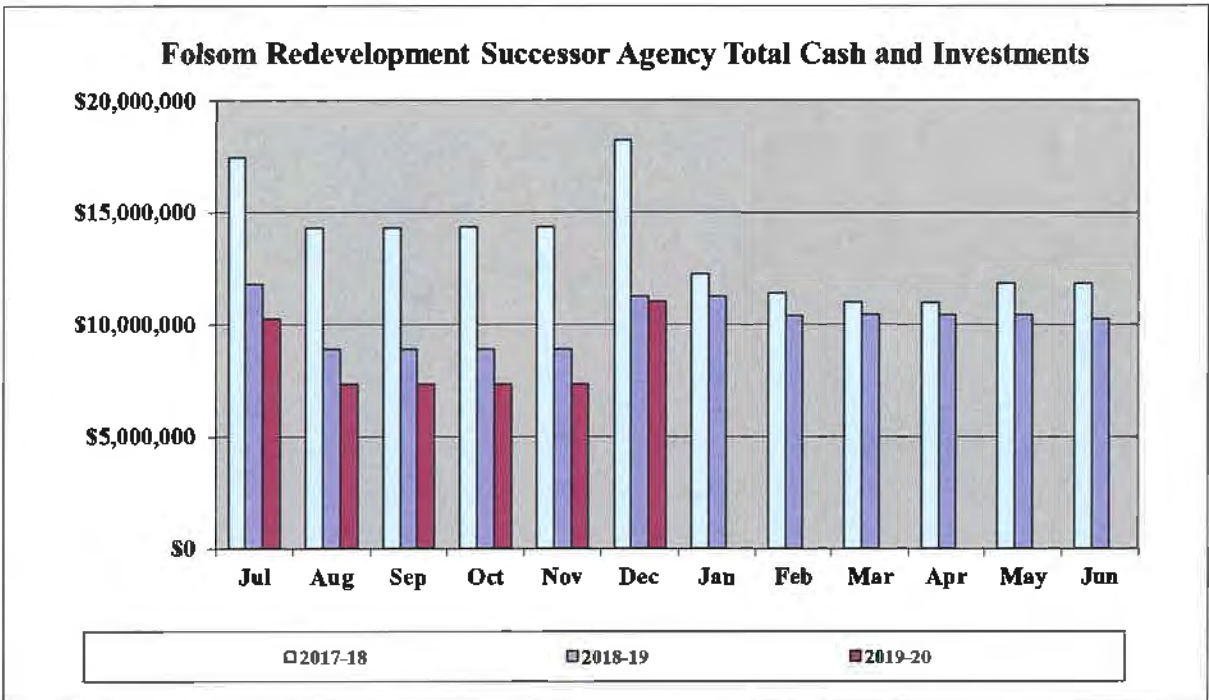
Total Cash and Investments

The RDSA had total cash and investments of \$11,003,048 as of December 31, 2019. This is a decrease of \$217,017 (2%) since December 31, 2018. The cash held by the RDSA is comprised of city-held funds, as well as 2011 bond proceeds to be utilized for housing and non-housing projects. These proceeds held by the Agency are broken out individually in the Portfolio Management Summary in Attachment 1.

The following table and graph illustrate the monthly balances and their respective percentage changes for the reporting period. Monthly fluctuations in cash and investments are the result of typical receipt of revenues less expenditures for operations, debt service, and capital improvements.

Folsom Redevelopment Successor Agency

	2019-20	Monthly Change	2018-19	Monthly Change	Yearly \$ Change	Yearly % Change
Jul	\$ 10,258,949		\$ 11,774,675		\$ (1,515,726)	-13%
Aug	\$ 7,325,874	-29%	\$ 8,867,880	-25%	\$ (1,542,006)	-17%
Sep	\$ 7,325,990	0%	\$ 8,868,071	0%	\$ (1,542,080)	-17%
Oct	\$ 7,326,077	0%	\$ 8,868,187	0%	\$ (1,542,110)	-17%
Nov	\$ 7,321,623	0%	\$ 8,868,303	0%	\$ (1,546,680)	-17%
Dec	\$ 11,003,048	50%	\$ 11,220,064	27%	\$ (217,017)	-2%



The RDSA’s projected cash needs for the next six months are sufficiently provided for by anticipated revenues and the liquidity of its cash and investments.

Investment Performance

The RDSA’s Portfolio Management Summary report for the month of December 2019 is presented in Attachment 1. The RDSA’s investment earnings for the three-month quarter ending December 31, 2019 totaled \$51,751. The effective rate of return for the RDSA investment portfolio for the same time period is 2.44%.

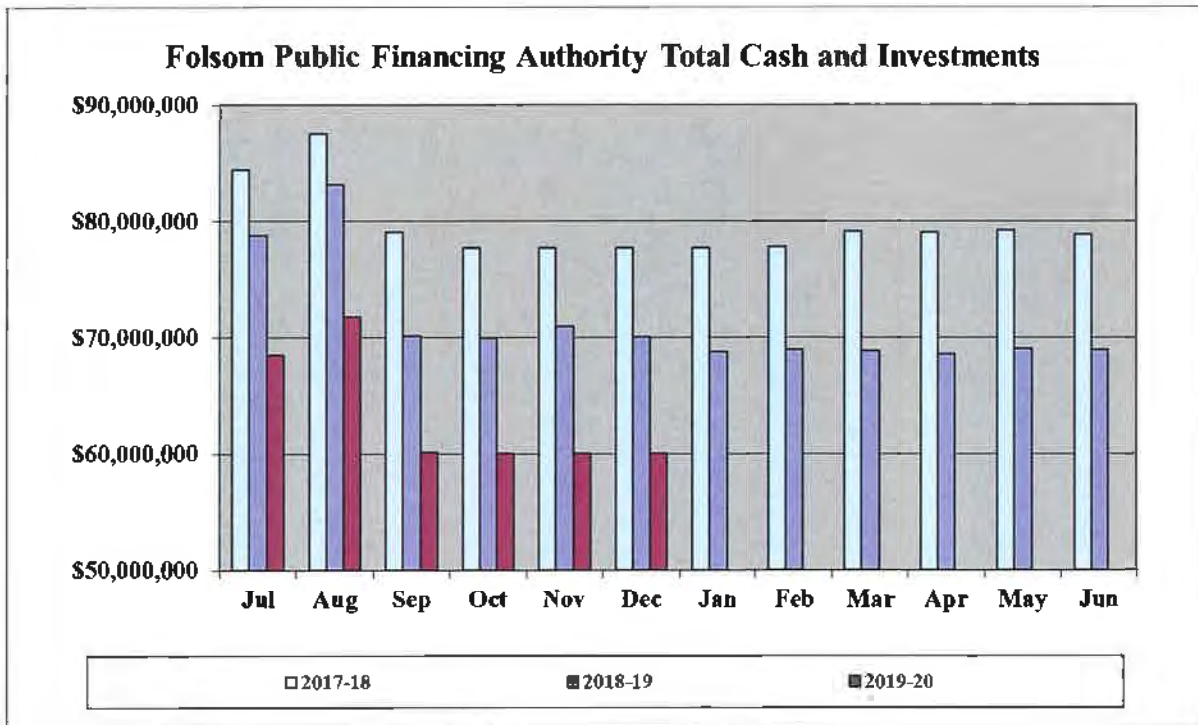
Folsom Public Financing Authority

Total Cash and Investments

The FPFA cash and investments totaled \$60,001,153 as of December 31, 2019. This is a decrease of \$9,971,991 (14%) from December 31, 2018. Monthly fluctuations in cash and investments are the result of typical receipt of debt service repayment revenues and the subsequent debt service expenditures. The following table and graph illustrate the monthly balances and their respective percentage changes for the reporting period.

Folsom Public Financing Authority

	2019-20	Monthly Change	2018-19	Monthly Change	Yearly \$ Change	Yearly % Change
Jul	\$ 68,442,988		\$ 78,713,643		\$ (10,270,655)	-13%
Aug	\$ 71,705,665	5%	\$ 83,158,965	6%	\$ (11,453,300)	-14%
Sep	\$ 60,112,114	-16%	\$ 70,072,260	-16%	\$ (9,960,146)	-14%
Oct	\$ 60,000,597	0%	\$ 69,965,468	0%	\$ (9,964,871)	-14%
Nov	\$ 60,001,190	0%	\$ 70,948,837	1%	\$ (10,947,647)	-15%
Dec	\$ 60,001,153	0%	\$ 69,973,145	-1%	\$ (9,971,991)	-14%



The FPFA’s projected cash needs for the next six months are sufficiently provided for by anticipated revenues and the liquidity of its cash and investments.

Investment Performance

The FPFA’s Portfolio Management Summary report for the month of December 2019 is presented in attachment 1. The FPFA’s investment earnings for the three-month quarter ending December 31, 2019 totaled \$509,474. The effective rate of return for the FPFA investment portfolio for the same time period is 3.44%.

Folsom Ranch Financing Authority

Total Cash and Investments

The FRFA cash and investments totaled \$71,540,000 as of December 31, 2019, an increase of \$23,465,000 from the prior year. This increase is due primarily to the issuance of \$14,040,000 Community Facilities District No. 19 Local Obligations on August 7, 2019 and the issuance of \$9,695,000 Community Facilities District No. 21 (White Rock Springs Ranch) Local Obligations on December 19, 2019. The only other activity within FRFA was the maturing of \$270,000 of CFD No. 17 and CFD No. 19 Bonds on September 1, 2019.

The Authority’s projected cash needs for the next six months are sufficiently provided for by anticipated revenues and the liquidity of its cash and investments.

Investment Performance

The FRFA’s Portfolio Management Summary report for the month of December 2019 is presented in attachment 1. The FRFA’s investment earnings for the three-month quarter ending December 31, 2019 totaled \$773,298. The effective rate of return for the FRFA investment portfolio for the same time period is 4.99%.

South of 50 Parking Authority

Total Cash and Investments

The South of 50 Parking Authority cash and investments totaled \$0 as of December 31, 2019.

The Authority’s projected cash needs for the next six months are sufficiently provided for by anticipated revenues and the liquidity of its cash and investments.

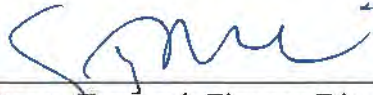
Investment Performance

There is no investment activity for the South of 50 Parking Authority.

ATTACHMENTS

1. City of Folsom, Folsom Redevelopment Successor Agency, Folsom Public Financing Authority, and Folsom Ranch Financing Authority Portfolio Management Summary December 2019
2. City of Folsom Portfolio Holdings as of December 31, 2019
3. City of Folsom Transaction Summary, Second Quarter of Fiscal Year 2020

Submitted,



Stacey Tamagni, Finance Director
Agency Finance Officer
Folsom Public Financing Authority Treasurer
Folsom Ranch Financing Authority Treasurer
South of 50 Parking Authority Treasurer



City of Folsom
Combined City of Folsom, Redevelopment
Successor Agency, FPFA & FRFA
Portfolio Summaries
December 31, 2019

50 Natoma St.
 Folsom, CA 95630
 (916) 351-3345

City of Folsom	YTM @ Cost	Face Amount/ Shares	Cost Value	Book Value	Market Value	Days to Maturity	Accrued Interest	% of Portfolio
Cash	1.503%	2,062,189.00	2,062,189.00	2,062,189.00	2,062,189.00	1	-	1.42
Certificate Of Deposit	2.488%	12,073,000.00	12,072,387.50	12,072,621.89	12,241,274.87	773	64,051.31	8.31
Corporate Bond	2.680%	22,530,000.00	22,660,002.00	22,554,672.33	22,785,072.90	723	142,286.70	15.51
FAMC Bond	2.690%	1,000,000.00	1,000,000.00	1,000,000.00	1,001,230.00	612	8,817.22	0.69
FFCB Bond	2.165%	4,000,000.00	4,000,000.00	4,000,000.00	3,991,590.00	1073	27,156.66	2.75
FHLB Bond	2.329%	1,850,000.00	1,823,243.50	1,829,155.89	1,847,199.00	1294	3,000.00	1.27
FHLMC Bond	1.963%	4,000,000.00	4,000,000.00	4,000,000.00	4,005,420.00	730	20,650.00	2.75
Local Government Investment Pool	2.281%	62,042,720.67	62,042,720.67	62,042,720.67	62,042,720.67	1	-	42.71
Money Market	1.480%	8,835,958.27	8,835,958.27	8,835,958.27	8,835,958.27	1	-	6.08
Municipal Bond	2.326%	26,864,683.81	26,768,568.36	26,771,319.32	27,053,626.74	657	188,963.35	18.49
Total / Average	2.300%	\$ 145,258,551.75	\$ 145,265,069.30	\$ 145,168,637.17	\$ 145,866,281.45	369	\$ 454,925.24	100.00

Pooled Equity	Book Value	% of Portfolio	Interest Earnings (FY)	Total Rate of Return (FY)
City of Folsom Cash and Investments (excluding RDSA, FPFA & FRFA amounts)	\$ 132,661,947.93	91.38%	\$ 1,649,728.59	2.44%
Redevelopment Successor Agency (included in RDSA Investment Report)	11,001,900.44	7.58%	98,993.08	2.48%
Public Financing Authority (included in PFA Investment Report)	1,504,888.80	1.04%	1,077,922.97	3.44%
Folsom Ranch Financing Authority (included in FRFA Investment Report)	-	0.00%	1,454,537.88	4.93%
Total Pooled Equity	\$ 145,168,637.17	100.00%		

Redevelopment Successor Agency	YTM @ Cost	Face Amount/ Shares	Cost Value	Book Value	Market Value	Days to Maturity	Accrued Interest	% of Portfolio
Cash	2.400%	3,896,972.02	3,896,972.02	3,896,972.02	3,896,972.02	1	-	35.42
Non-Housing 2011A Proceeds	2.400%	2,591,951.25	2,591,951.25	2,591,951.25	2,591,951.25	1	-	23.56
Housing 2011B Proceeds	2.400%	4,512,877.17	4,512,877.17	4,512,877.17	4,512,877.17	1	-	41.01
Money Market	1.600%	1,247.22	1,247.22	1,247.22	1,247.22	1	-	0.01
Total / Average	2.400%	\$ 11,003,047.66	\$ 11,003,047.66	\$ 11,003,047.66	\$ 11,003,047.66	1	\$ -	100.00

Folsom Public Financing Authority	YTM @ Cost	Face Amount/ Shares	Cost Value	Book Value	Market Value	Days to Maturity	Accrued Interest	% of Portfolio
Cash	2.400%	1,504,888.80	1,504,888.80	1,504,888.80	1,504,888.80	1	-	2.51
Money Market	1.600%	6,343.20	6,343.20	6,343.20	6,343.20	1	-	0.01
Municipal Bond	3.384%	58,489,921.02	58,489,921.02	58,489,921.02	58,489,921.02	2925	658,812.96	97.48
Total / Average	3.358%	\$ 60,001,153.02	\$ 60,001,153.02	\$ 60,001,153.02	\$ 60,001,153.02	2754	\$ 659,812.96	100.00

Folsom Ranch Financing Authority	YTM @ Cost	Face Amount/ Shares	Cost Value	Book Value	Market Value	Days to Maturity	Accrued Interest	% of Portfolio
Municipal Bond	4.851%	71,540,000.00	71,540,000.00	71,540,000.00	71,540,000.00	8032	1,059,375.42	100.00
Total / Average	4.851%	\$ 71,540,000.00	\$ 71,540,000.00	\$ 71,540,000.00	\$ 71,540,000.00	8032	\$ 1,059,375.42	100.00

Stacey Tamagnini
 Stacey Tamagnini, Finance Director

City of Folsom Portfolio Holdings

Portfolio Holdings for Inv. Report
Report Format: By Transaction
Portfolio / Report Group: City of Folsom

Group By: Security Type
Average By: Face Amount / Shares
As of 12/31/2019

Description	Issuer	Coupon Rate	Face Amt/Shares	% of Portfolio
Cash				
Wells Fargo Cash	Wells Fargo	0.000	62,189.00	0.04
Wells Fargo Cash	Wells Fargo	1.550	2,000,000.00	1.38
Sub Total / Average Cash		1.503	2,062,189.00	1.42
Certificate Of Deposit				
Ally Bank 2 10/26/2020	Ally Bank	2.000	247,000.00	0.17
American Express - Centurion 2.3 4/5/2021	American Express - Centurion	2.300	247,000.00	0.17
Appalachian Community CU 3.2 2/28/2022	Appalachian Community CU	3.200	245,000.00	0.17
Belmont Savings Bank 2.75 3/14/2023	Belmont Savings Bank	2.750	246,000.00	0.17
Beneficial Bank 2.15 10/18/2022	Beneficial Bank	2.150	247,000.00	0.17
BMO Harris Bank NA 2 10/18/2023-20	BMO Harris Bank NA	2.000	248,000.00	0.17
BMW Bank 2.1 9/15/2021	BMW Bank	2.100	247,000.00	0.17
Capital One Bank USA NA 2.35 8/26/2020	Capital One Bank USA NA	2.350	247,000.00	0.17
CIT Bank 2.1 1/14/2020	CIT Bank	2.100	247,000.00	0.17
Citibank, NA 2.8 4/26/2021	Citibank, NA	2.800	245,000.00	0.17
Citizens Deposit Bank of Arlington, Inc. 3.1 6/29/	Citizens Deposit Bank of Arlington, Inc.	3.100	246,000.00	0.17
Crescent Bank & Trust 1.65 2/18/2020	Crescent Bank & Trust	1.650	244,000.00	0.17
Discover Bank 2.25 2/15/2022	Discover Bank	2.250	247,000.00	0.17
East Boston Savings Bank 2.3 7/30/2021	East Boston Savings Bank	2.300	247,000.00	0.17
Essential FCU 3.55 12/5/2023	Essential FCU	3.550	245,000.00	0.17
Farmer's & Merchants Bank 3.3 9/27/2023	Farmer's & Merchants Bank	3.300	245,000.00	0.17
First Bank of Highland Park 2.2 8/23/2022	First Bank of Highland Park	2.200	247,000.00	0.17
First Technology FCU 3.25 3/4/2024-20	First Technology FCU	3.250	249,000.00	0.17
Flagstar Bank FSB 2.15 1/27/2020	Flagstar Bank FSB	2.150	247,000.00	0.17
Greenstate Credit Union 1.9 2/28/2022	Greenstate Credit Union	1.900	249,000.00	0.17
HSBC Bank Step 11/17/2020-18	HSBC Bank	3.100	245,000.00	0.17
Investors Bank 2.1 12/28/2020	Investors Bank	2.100	247,000.00	0.17
Jefferson Financial FCU 2.45 11/10/2022	Jefferson Financial FCU	2.450	245,000.00	0.17
Keesler FCU 3.05 8/30/2021	Keesler FCU	3.050	249,000.00	0.17
LCA Bank 2.1 6/21/2021	LCA Bank	2.100	247,000.00	0.17
Medallion Bank 2.15 10/11/2022	Medallion Bank	2.150	247,000.00	0.17
Mercantil Commercebank NA 1.65 6/24/2021	Mercantil Commercebank NA	1.650	247,000.00	0.17
Morgan Stanley Bank, NA 2.2 7/25/2024	Morgan Stanley Bank, NA	2.200	247,000.00	0.17
Morgan Stanley Private Bank, NA 2 2 7/18/2024	Morgan Stanley Private Bank, NA	2.200	247,000.00	0.17
National Cooperative Bank, NA 3.4 12/21/2023	National Cooperative Bank, NA	3.400	245,000.00	0.17
Neighbors FCU 3.3 9/19/2023	Neighbors FCU	3.300	245,000.00	0.17

Notre Dame FCU 2.2 1/13/2020	Notre Dame FCU	2.200	245,000.00	0.17
Public Service CU 3.15 10/26/2021	Public Service CU	3.150	245,000.00	0.17
Raymond James Bank, NA 1.95 8/23/2023	Raymond James Bank, NA	1.950	247,000.00	0.17
Reading Co-operative 2.35 3/16/2020	Reading Co-operative	2.350	248,000.00	0.17
Sallie Mae Bank 2.6 4/18/2022	Sallie Mae Bank	2.600	246,000.00	0.17
Security First Bank 3.25 1/25/2024-20	Security First Bank	3.250	245,000.00	0.17
State Bank of India LA 2 5 3/20/2020	State Bank of India LA	2.500	246,000.00	0.17
Sterling Bank 2.35 4/2/2020	Sterling Bank	2.350	248,000.00	0.17
SunTrust Bank Step 1/30/2023-20	SunTrust Bank	2.300	245,000.00	0.17
Synchrony Bank 2.4 5/19/2022	Synchrony Bank	2.400	240,000.00	0.17
Third Federal Savings and Loan 2 7/28/2021	Third Federal Savings and Loan	2.000	245,000.00	0.17
TIAA, FSB 2.2 8/16/2022	TIAA, FSB	2.200	247,000.00	0.17
Townebank 2.8 11/24/2020	Townebank	2.800	246,000.00	0.17
Tristate Capital Bank 2 3 1/31/2020	Tristate Capital Bank	2.300	247,000.00	0.17
UBS Bank USA 2.9 4/3/2024	UBS Bank USA	2.900	249,000.00	0.17
Uinta County Bank 2.6 2/16/2023	Uinta County Bank	2.600	246,000.00	0.17
Vibrant CU 3.1 12/21/2020	Vibrant CU	3.100	246,000.00	0.17
VisionBank of Iowa 2.15 5/31/2022	VisionBank of Iowa	2.150	247,000.00	0.17
Sub Total / Average Certificate Of Deposit		2.493	12,073,000.00	8.31

Corporate Bond

American Express Credit 2.25 5/5/2021-21	American Express Credit	2.250	1,000,000.00	0.69
Bank of America Corp 3.499 8/17/2022-21	Bank of America Corp	3.499	2,000,000.00	1.38
Bank of NY Mellon 2.6 2/7/2022-22	Bank of NY Mellon	2.600	1,000,000.00	0.69
Bank of NY Mellon 3.5 4/28/2023	Bank of NY Mellon	3.500	1,000,000.00	0.69
Citibank NA 2.125 10/20/2020-20	Citibank NA	2.125	1,000,000.00	0.69
Citibank, NA 2.1 6/12/2020-20	Citibank, NA	2.100	1,000,000.00	0.69
General Elec Cap Corp 5.55 5/4/2020	General Elec Cap Corp	5.550	1,000,000.00	0.69
International Bank for Reconstruction and Development	International Bank for Reconstruction and Development	2.100	2,000,000.00	1.38
JPMorgan Chase & Co 2.295 8/15/2021-20	JPMorgan Chase & Co	2.295	1,000,000.00	0.69
JPMorgan Chase & Co 2.55 3/1/2021-21	JPMorgan Chase & Co	2.550	2,000,000.00	1.38
MUFG Union Bank NA 3.15 4/1/2022-22	MUFG Union Bank NA	3.150	1,000,000.00	0.69
PNC Bank NA 2 15 4/29/2021-21	PNC Bank NA	2.150	1,000,000.00	0.69
PNC Bank NA 2 15 4/29/2021-21	PNC Bank NA	2.150	1,000,000.00	0.69
State Street Corp 2.653 5/15/2023-22	State Street Corp	2.653	2,530,000.00	1.74
Wells Fargo & Co 2.5 3/4/2021	Wells Fargo & Co	2.500	2,000,000.00	1.38
Wells Fargo & Co 2.625 7/22/2022	Wells Fargo & Co	2.625	1,000,000.00	0.69
Wells Fargo & Co 3.069 1/24/2023-22	Wells Fargo & Co.	3.069	1,000,000.00	0.69
Sub Total / Average Corporate Bond		2.733	22,530,000.00	15.51

FAMC Bond

FAMC 2.69 9/3/2021-20	FAMC	2.690	1,000,000.00	0.69
Sub Total / Average FAMC Bond		2.690	1,000,000.00	0.69

FFCB Bond

FFCB 2 9/23/2022-20	FFCB	2.000	1,000,000.00	0.69
FFCB 2.03 2/27/2024-20	FFCB	2.030	2,000,000.00	1.38
FFCB 2.6 9/14/2020	FFCB	2.600	1,000,000.00	0.69
Sub Total / Average FFCB Bond		2.165	4,000,000.00	2.75

FHLB Bond				
FHLB 1.8 9/1/2023-16	FHLB	1.800	500,000.00	0.34
FHLB 2.07 6/30/2023-16	FHLB	2.070	1,350,000.00	0.93
Sub Total / Average FHLB Bond		1.997	1,850,000.00	1.27

FHLMC Bond				
FHLMC 1.85 11/27/2020-17	FHLMC	1.850	2,000,000.00	1.38
FHLMC 2 7/27/2021-18	FHLMC	2.000	1,000,000.00	0.69
FHLMC 2 15 8/7/2024-20	FHLMC	2.150	1,000,000.00	0.69
Sub Total / Average FHLMC Bond		1.963	4,000,000.00	2.75

Local Government Investment Pool				
LAIF City LGIP	LAIF City	2.281	62,027,280.89	42.70
LAIF FPFA LGIP	LAIF FPFA	2.281	15,439.78	0.01
Sub Total / Average Local Government Investment		2.281	62,042,720.67	42.71

Money Market				
Wells Fargo MM	Wells Fargo	1.480	1,529,178.66	1.05
Wells Fargo MM	Wells Fargo	1.480	7,306,779.61	5.03
Sub Total / Average Money Market		1.480	8,835,958.27	6.08

Municipal Bond				
CA St DWR Pwr Supp Rev 1.713 5/1/2021	CA St DWR Pwr Supp Rev	1.713	944,683.81	0.65
CA St DWR Pwr Supp Rev 2 5/1/2022	CA St DWR Pwr Supp Rev	2.000	1,000,000.00	0.69
CA St DWR Pwr Supp Rev 2 5/1/2022	CA St DWR Pwr Supp Rev	2.000	1,000,000.00	0.69
Cabrillo CCD 1.913 2/1/2021	Cabrillo CCD	1.913	225,000.00	0.15
Cabrillo CCD 1.913 8/1/2022	Cabrillo CCD	1.913	230,000.00	0.16
Carson RDA SA TABs 2.503 2/1/2020	Carson RDA SA TABs	2.503	250,000.00	0.17
Carson RDA SA TABs 2.742 2/1/2021	Carson RDA SA TABs	2.742	145,000.00	0.10
Carson RDA SA TABs 2.992 2/1/2022-17	Carson RDA SA TABs	2.992	100,000.00	0.07
Cent. Contra Costa San Dist Rev. Bonds 2.96 9/1/2	Cent. Contra Costa San Dist Rev. Bonds	2.960	235,000.00	0.16
Coast CCD GOBs 1.975 8/1/2023	Coast CCD GOBs	1.975	1,265,000.00	0.87
CSU Revenue Bonds 2.982 11/1/2021	CSU Revenue Bonds	2.982	300,000.00	0.21
Davis RDA-SA TABs 1.68 9/1/2021	Davis RDA-SA TABs	1.680	1,200,000.00	0.83
Davis RDA-SA TABs 1.72 9/1/2022	Davis RDA-SA TABs	1.720	1,225,000.00	0.84
Davis RDA-SA TABs 1.75 9/1/2023	Davis RDA-SA TABs	1.750	625,000.00	0.43
Fullerton RDA SA TABs 5.774 9/1/2020	Fullerton RDA SA TABs	5.774	100,000.00	0.07
Gilroy USD 1.721 8/1/2021	Gilroy USD	1.721	320,000.00	0.22
Highland RDA-SA TABs 1.75 2/1/2020	Highland RDA-SA TABs	1.750	350,000.00	0.24
Highland RDA-SA TABs 2 2/1/2021	Highland RDA-SA TABs	2.000	405,000.00	0.28
Highland RDA-SA TABs 2.25 2/1/2022	Highland RDA-SA TABs	2.250	390,000.00	0.27
Imperial CCD 1.854 8/1/2020	Imperial CCD	1.854	200,000.00	0.14
Imperial CCD 1.874 8/1/2021	Imperial CCD	1.874	200,000.00	0.14
Long Beach CCD 1.738 8/1/2021	Long Beach CCD	1.738	780,000.00	0.54
Marin CCD GOBs 2.243 8/1/2021-16	Marin CCD GOBs	2.243	650,000.00	0.45
Monrovia RDA-SA 2.35 5/1/2020	Monrovia RDA-SA	2.350	165,000.00	0.11
Murrieta RDA-SA TABs 2 8/1/2020	Murrieta RDA-SA TABs	2.000	400,000.00	0.28
Murrieta RDA-SA TABs 2.25 8/1/2021	Murrieta RDA-SA TABs	2.250	350,000.00	0.24
Murrieta RDA-SA TABs 2.5 8/1/2022	Murrieta RDA-SA TABs	2.500	250,000.00	0.17

Riverside CCD 2.848 8/1/2020	Riverside CCD	2.848	5	
San Dieguito USD GOBs 2.793 8/1/2020	San Dieguito USD GOBs	2.793	500,000.00	0.34
San Francisco RDA SA TABs 2.796 8/1/2021	San Francisco RDA SA TABs	2.796	1,000,000.00	0.69
San Jose RDA-SA 2.259 8/1/2020	San Jose RDA-SA	2.259	1,000,000.00	0.69
San Jose RDA-SA 2.63 8/1/2022	San Jose RDA-SA	2.630	1,000,000.00	0.69
San Jose RDA-SA 2.63 8/1/2022	San Jose RDA-SA	2.630	1,000,000.00	0.69
San Jose RDASA TABs 2.828 8/1/2023	San Jose RDASA TABs	2.828	500,000.00	0.34
Santa Clara County GOBs 2.125 8/1/2020	Santa Clara County GOBs	2.125	1,000,000.00	0.69
Santa Cruz County Cap FA Lease Rev 2.88 6/1/2020	Santa Cruz County Cap FA Lease Rev	2.880	490,000.00	0.34
Santa Rosa RDSA 2.75 8/1/2020	Santa Rosa RDSA	2.750	400,000.00	0.28
Santee CDC Successor Ag 2 8/1/2020	Santee CDC Successor Ag	2.000	385,000.00	0.27
SF BART Rev Bonds 2.621 7/1/2023-17	SF BART Rev Bonds	2.621	735,000.00	0.51
State of CA GO 2.5 10/1/2022	State of CA GO	2.500	1,000,000.00	0.69
Univ of CA Revenue 1.49 5/15/2020-16	Univ of CA Revenue	1.490	1,000,000.00	0.69
Univ of CA Revenue 2.15 5/15/2021-17	Univ of CA Revenue	2.150	1,000,000.00	0.69
Univ of CA Revenue 2.553 5/15/2021-19	Univ of CA Revenue	2.553	300,000.00	0.21
Univ of CA Revenue 2.657 5/15/2023-19	Univ of CA Revenue	2.657	500,000.00	0.34
Univ of CA Revenue 3.283 5/15/2022-18	Univ of CA Revenue	3.283	500,000.00	0.34
Vacaville RDA-SA TABs 1.848 9/1/2020	Vacaville RDA-SA TABs	1.848	450,000.00	0.31
West Contra Costa USD GOBs 3.031 8/1/2021	West Contra Costa USD GOBs	3.031	300,000.00	0.21
Sub Total / Average Municipal Bond		2.241	26,864,683.81	18.49
Total / Average		2.289	145,258,551.75	100.00

City of Folsom Transactions Summary

Transaction Summary - Investment Report
Portfolio / Report Group: City of Folsom

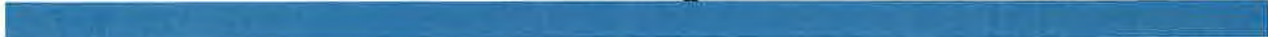
Group By: Action
Begin Date: 10/01/2019, End Date: 12/31/2019

Description	Security Type	Settlement Date	Maturity Date	Face Amt/Shares	Principal	YTM @ Cost
Buy						
BMO Harris Bank NA 2 10/18/2023-20	Certificate Of Deposit	10/18/2019	10/18/2023	248,000.00	248,000.00	2.000
Cabrillo CCD 1.913 2/1/2021	Municipal Bond	10/08/2019	02/01/2021	225,000.00	225,000.00	1.913
Cabrillo CCD 1.913 8/1/2022	Municipal Bond	10/08/2019	08/01/2022	230,000.00	230,000.00	1.913
Gilroy USD 1.721 8/1/2021	Municipal Bond	10/31/2019	08/01/2021	320,000.00	320,000.00	1.721
Imperial CCD 1.854 8/1/2020	Municipal Bond	10/16/2019	08/01/2020	200,000.00	200,000.00	1.854
Imperial CCD 1.874 8/1/2021	Municipal Bond	10/16/2019	08/01/2021	200,000.00	200,000.00	1.874
International Bank for Reconstruction and Developm	Corporate Bond	10/24/2019	10/15/2022	2,000,000.00	1,999,800.00	2.103
Long Beach CCD 1.738 8/1/2021	Municipal Bond	10/23/2019	08/01/2021	780,000.00	780,000.00	1.738
Sub Total / Average Buy				4,203,000.00	4,202,800.00	
Called						
FAMC 3.23 12/27/2023-19	FAMC Bond	12/27/2019	12/27/2023	1,400,000.00	1,400,000.00	0.000
FHLB 2.2 1/29/2021-19	FHLB Bond	10/29/2019	01/29/2021	2,000,000.00	2,000,000.00	0.000
FHLMC Step 8/25/2021-16	FHLMC Bond	11/25/2019	08/25/2021	1,000,000.00	1,000,000.00	0.000
Goldman Sachs Group Step 4/29/2021-17	Corporate Bond	10/29/2019	04/29/2021	1,000,000.00	1,000,000.00	0.000
Sub Total / Average Called				5,400,000.00	5,400,000.00	
Matured						
American Express Bk FSB 2.2 10/23/2019	Certificate Of Deposit	10/23/2019	10/23/2019	247,000.00	247,000.00	0.000
Eureka RDA SA TABs 2 11/1/2019	Municipal Bond	11/01/2019	11/01/2019	710,000.00	710,000.00	0.000
JP Morgan Securities LLC 0 11/12/2019	Commercial Paper	11/12/2019	11/12/2019	2,500,000.00	2,500,000.00	0.000
JPMorgan Chase Bank NA 1.45 11/21/2019-17	Certificate Of Deposit	11/21/2019	11/21/2019	248,000.00	248,000.00	0.000
Midland States Bank 2.3 12/23/2019	Certificate Of Deposit	12/23/2019	12/23/2019	247,000.00	247,000.00	0.000
Umpqua Bank 2.5 11/25/2019	Certificate Of Deposit	11/25/2019	11/25/2019	246,000.00	246,000.00	0.000
Sub Total / Average Matured				4,198,000.00	4,198,000.00	



CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council Staff Report



MEETING DATE:	4/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	<p>Toll Brothers at Folsom Ranch – Northwest corner of White Rock Road and East Bidwell Street (PN 19-091)</p> <ul style="list-style-type: none"> i. Ordinance No. 1301 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Easton Valley Holdings, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption) ii. Ordinance No. 1302 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Oak Avenue Holdings, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption) iii. Ordinance No. 1303 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and West Scott Road, LLC and Toll West, Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption) iv. Ordinance No. 1304 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Folsom Real Estate South, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)
FROM:	Community Development Department

RECOMMENDATION / CITY COUNCIL ACTION

Move to Adopt Ordinance No. 1301 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Easton Valley Holdings, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)

And

Move Adopt Ordinance No. 1302 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Oak Avenue Holdings, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)

And

Move to Adopt Ordinance No. 1303 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and West Scott Road, LLC and Toll West, Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)

And

Move to Adopt Ordinance No. 1304 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Folsom Real Estate South, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)

BACKGROUND / ISSUE

On February 19, 2020, the Planning Commission held a public hearing to consider the Toll Brothers at Folsom Ranch project. Planning Commission discussion and questions were focused primarily on the proposed tree preservation and removal plan. Specifically, whether the proposed tree preservation and removal plan was in compliance with the original consideration of oak tree impacts and if additional modifications could be made to preserve a particular grove of healthy oak trees situated in the southwest portion of the project site. Planning Commission Chair Raithel asked his fellow Commissioners to consider holding off on approval of the Tentative Subdivision Map for the Traditional Homesites portion of the project in order to allow for additional engineering work/lotting consideration to maximize preservation of a healthy oak tree canopy in the southwest portion of the project site where grading is more limited. Most Commissioners indicated that the preservation could be addressed with minor modification to building setbacks/sitting given the administrative flexibility allowed under the Folsom Plan Area Specific Plan. Ultimately, the Commission

voted 6-1-0-0 to recommend to the City Council approval of the project as proposed, subject to findings and conditions.

On March 10, 2020, the City Council reviewed a proposal from Toll Brothers, Inc. for approval of a General Plan Amendment, Specific Plan Amendment, Small-Lot Vesting Tentative Subdivision Map, Development Agreement Amendments, and Inclusionary Housing Plan for development of a 1,225-unit (804 mapped units) active adult and traditional single-family residential subdivision on a 314-acre site located at the northwest corner of the intersection of White Rock Road and Mangini Parkway within the Folsom Plan Area. At the aforementioned Council meeting, the applicant introduced a proposed modification to the project that would result in the elimination of three residential lots within the southwest portion of the Traditional Homesite Subdivision in order to preserve approximately 10-12 healthy oak trees. The City Council expressed their support for the proposed changes to the Toll Brothers project and voted (5-0-0-0) to adopt the General Plan Amendment, Specific Plan Amendment, Small-Lot Vesting Tentative Subdivision Map, and Inclusionary Housing Plan. In addition, the first reading and introduction of the four proposed Development Agreement Amendments (Ordinance Nos. 1301, 1302, 1303, and 1303) associated with the Toll Brothers project were conducted at the March 10, 2020 City Council meeting.

The applicant is requesting approval of four amendments to existing Development Agreements (Easton Valley Holdings, Folsom Real Estate South, Oak Avenue Holdings, and West Scott Road) with the primary purpose of acknowledging and documenting changes to land uses for portions of the various landowners properties located outside of the Toll Brothers Project Property and documenting the park dedication fee credits associated with the proposed relocation of 8-acres to expand a 2.3-acre neighborhood park site planned for Parcel 20B into a 10.3-acre neighborhood park and a 2-acre expansion of a local park site planned for Parcel 66 from 1.1-acres to 3.1-acres in the Town Center portion of the Folsom Plan Area associated with the Toll Brothers project.

POLICY / RULE

As set forth in the State Planning and Zoning Law, approval of, or amendments to, a Development Agreement is a legislative act which requires approval by the City Council following review and recommendation by the Planning Commission.

ANALYSIS

Four Development Agreement Amendments are proposed with the Toll Brothers at Folsom Ranch project including Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Easton Valley Holdings, LLC, Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and West Scott Road, LLC/Toll West Coast, LLC, Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Oak Avenue Holdings, LLC/Toll West Coast, LLC, and

Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Folsom Real Estate South, LLC/Toll West Coast, LLC.

On July 15, 2014, Easton Valley Holdings, LLC (one of four landowners associated with the Toll Brothers project) and the City entered into the First Amended and Restated Tier 1 Development Agreement relative to the Folsom South Specific Plan. The City and Easton Valley Holdings amended the original Restated Development Agreement on January 29, 2016. The purpose of this second Development Agreement Amendment is to acknowledge and document changes to land uses for portions of the Landowner's Property located outside of the Toll Brothers Project Property, commonly referred to as Parcels 66, 68, 70, 74, and 158 and a portion of Parcel 162 within the Folsom Plan Area. In addition, the Development Agreement Amendment documents park dedication fee credits associated with the proposed relocation of 8-acres of parkland to expand a 2.3-acre local park to a 10.3-acre neighborhood park site planned for Parcel 20B and a 2-acre expansion of a local park site planned for Parcel 66 in the Town Center from 1.1-acres to 3.1-acres (owned by Easton Valley Holdings, LLC) and associated with the Toll Brothers project.

On July 15, 2014, West Scott Road, LLC (one of four landowners associated with the Toll Brothers project) and the City entered into the First Amended and Restated Tier 1 Development Agreement relative to the Folsom South Specific Plan. The City and West Scott Road, LLC amended the original Restated Development Agreement on January 29, 2016. The purpose of this second Development Agreement Amendment is to document that the conditions of approval and mitigation measures related to the development of Toll Brothers project be included within the definition of Entitlements as that term is used throughout the Restated Development Agreement. In addition, the Development Agreement Amendment documents park dedication fee credits associated with the proposed relocation of 8-acres of parkland to update a local park to a neighborhood park site planned for Parcel 20B and a 2-acre expansion of a local park site planned for Parcel 66 in the Town Center and associated with the Toll Brothers project.

On July 15, 2014, Oak Avenue Holdings, LLC (one of four landowners associated with the Toll Brothers project) and the City entered into the First Amended and Restated Tier 1 Development Agreement relative to the Folsom South Specific Plan. The City and Oak Avenue Holdings amended the original Restated Development Agreement on July 11, 2017. The purpose of this second Development Agreement Amendment is to acknowledge and document changes to land uses for portions of the Landowner's Property located outside of the Toll Brothers Project Property, commonly referred to as Parcels 66, 68, 70, 74, and 158 and a portion of Parcel 162 within the Folsom Plan Area. In addition, the Development Agreement Amendment documents park dedication fee credits associated with the proposed relocation of 8-acres of parkland to expand a 2.3-acre local park to a 10.3-acre neighborhood park site planned for Parcel 20B and a 2-acre expansion of a local park site planned for Parcel 66 in the Town Center from 1.1-acres to 3.1-acres and associated with the Toll Brothers project.

On July 15, 2014, Folsom Real Estate South, LLC (one of four landowners associated with the Toll Brothers project) and the City entered into the First Amended and Restated Tier 1 Development Agreement relative to the Folsom South Specific Plan. The City and Folsom Real Estate South, LLC amended the original Restated Development Agreement on January 29, 2016 with two separate amendments. The purpose of this third Development Agreement Amendment is to acknowledge and document changes to land uses for portions of the Landowner's Property located outside of the Toll Brothers Project Property, commonly referred to as Parcels 73, 137, 155, 161, and a portion of Parcel 162 within the Folsom Plan Area. The purpose of this Development Agreement Amendment is also to document that the conditions of approval and mitigation measures related to the development of Toll Brothers project be included within the definition of Entitlements as that term is used throughout the Restated Development Agreement. In addition, the Development Agreement Amendment documents park dedication fee credits associated with the proposed relocation of 8-acres of parkland to update a local park to a neighborhood park site planned for Parcel 20B and a 2-acre expansion of a local park site planned for Parcel 66 in the Town Center and associated with the Toll Brothers project.

City staff has conducted a thorough review of the proposed modifications to the development agreements and is supportive of the four Development Agreement Amendments.

FINANCIAL IMPACT

No financial impact is anticipated with approval of the four Development Agreements associated Toll Brothers at Folsom Ranch project as the project will not result in any change in the total number of residential units or total amount of commercial square footage within the Folsom Plan Area.

ENVIRONMENTAL REVIEW

The City, as lead agency, determined that the proposed land use and housing density changes, as well as other changes proposed by the applicant, differ sufficiently from the development scenario described in the Final EIR/EIS for the adopted FPASP to warrant preparation of an addendum to the Final EIR/EIS, but that they are not so different that a subsequent EIR or supplement to the EIR needs to be prepared. An Addendum is appropriate where a previously certified EIR has been prepared and some changes or revisions to the project are proposed, or the circumstances surrounding the project have changed, but none of the changes or revisions would result in significant new or substantially more severe environmental impacts, consistent with CEQA Section 21166 and State CEQA Guidelines Sections 15164 and 15168. These four Development Agreement Amendments do not result in substantial changes to the project, and no additional environmental review is required.

ATTACHMENTS

1. Ordinance No. 1301 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Easton Valley Holdings, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)
2. Ordinance No. 1302 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Oak Avenue Holdings, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)
3. Ordinance No. 1303 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and West Scott Road, LLC and Toll West, Coast, LLC relative to the Toll Brothers at Folsom Ranch project (Second Reading and Adoption)
4. Ordinance No. 1304 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Folsom Real Estate South, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project (Second Reading and Adoption)
5. Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Easton Valley Holdings, LLC relative to the Folsom South Specific Plan
6. Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom, Oak Avenue Holdings, LLC, and Toll West Coast, LLC relative to the Folsom South Specific Plan
7. Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom, West Scott Road, LLC, and Toll West Coast, LLC relative to the Folsom South Specific Plan
8. Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom, Folsom Real Estates South, LLC, and Toll West Coast, LLC relative to the Folsom South Specific Plan

Submitted,



PAM JOHNS
Community Development Director

Attachment 1

Ordinance No. 1301 – An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Easton Valley Holdings, LLC relative to the Toll Brothers at Folsom Ranch Project

ORDINANCE NO. 1301**AN UNCODIFIED ORDINANCE OF THE CITY OF FOLSOM APPROVING
AMENDMENT NO. 2 TO THE FIRST AMENDED AND RESTATED TIER 1
DEVELOPMENT AGREEMENT BETWEEN THE CITY OF FOLSOM AND EASTON
VALLEY HOLDINGS, LLC RELATIVE TO THE TOLL BROTHERS AT
FOLSOM RANCH PROJECT**

WHEREAS, a Final Environmental Impact Report/Environmental Impact Statement for the Folsom Plan Area Specific Plan was prepared and certified by the City Council on June 11, 2011, and the Sacramento Local Agency Formation Commission approved the City's annexation of the Folsom Plan Area on January 18, 2012; and

WHEREAS, pursuant to the authority in Sections 65864 through 65869.5 of the Government Code, the City Council, following a duly notified public hearing on June 28, 2011, approved the Tier 1 Development Agreement relative to the Folsom South Specific Plan (Tier 1 DA) for the development of the Folsom Plan Area by adopting Ordinance No. 1149 on July 12, 2011; and

WHEREAS, the proposed Toll Brothers at Folsom Ranch project consists of the development of an 804 unit active-adult and traditional residential community on a 314-acre site located within the Folsom Plan Area; and

WHEREAS, the City, the landowner, and the developer of the Toll Brothers at Folsom Ranch project desire to amend the DA in order to provide greater certainty and clarity to matters that are common, necessary and essential for the development of the project; and

WHEREAS, the Planning Commission, at its regular meeting on February 19, 2020, considered Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Easton Valley Holdings, LLC relative to the Toll Brothers at Folsom Ranch Project at a duly noticed public hearing as prescribed by law, and recommended that the City Council approve said Amendment No. 2; and

WHEREAS, all notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

NOW, THEREFORE, the City Council of the City of Folsom hereby does ordain as follows:

SECTION 1 FINDINGS

- A. The above recitals are true and correct and incorporated herein by reference.
- B. The Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Easton Valley Holdings, LLC is consistent with the objectives, policies, general land uses and programs specified in the City’s General Plan and the Folsom Plan Area Specific Plan.
- C. The Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement is in conformity with public convenience, general welfare, and good land use practices.
- D. The Amendment No. 2 will not be detrimental to the health, safety, and general welfare of persons residing in the immediate area, nor be detrimental or injurious to property or persons in the general neighborhood or to the general welfare of the residents of the City as a whole.
- E. The Amendment No. 2 will not adversely affect the orderly development of property or the preservation of property values.
- F. The Amendment No. 2 has been prepared in accordance with, and is consistent with, Government Code Sections 65864 through 65869.5, and City Council Resolution No. 2370.
- G. All notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.
- H. The Amendment No. 2 is consistent with the Environmental Impact Report/Environmental Impact Statement for the Folsom Plan Area Specific Plan certified by the City Council on June 11, 2011 and the 2020 Toll Brothers at Folsom Ranch Addendum, which are incorporated herein by reference. None of the events in Sections 15162 and 15163 of the CEQA Guidelines exists which warrant the preparation of a subsequent EIR or supplemental EIR.

SECTION 2 APPROVAL OF AMENDMENT TO DEVELOPMENT AGREEMENT

The Mayor is hereby authorized and directed to execute the Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Easton Valley Holdings, LLC on behalf of the City after the effective date of this Ordinance.

SECTION 3 SEVERABILITY

If any section, subsection, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council declares that it would have passed each section irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared unconstitutional, invalid, or ineffective.

SECTION 4 EFFECTIVE DATE

This ordinance shall become effective thirty (30) days from and after its passage and adoption, provided it is published in full or in summary within twenty (20) days after its adoption in a newspaper of general circulation in the City.

This ordinance was introduced and the title thereof read at the regular meeting of the City Council on March 10, 2020 and the second reading occurred at the regular meeting of the City Council on April 14, 2020.

On a motion by Council Member _____ seconded by Council Member _____, the foregoing ordinance was passed and adopted by the City Council of the City of Folsom, State of California, this 14th day of April 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

Attachment 2

Ordinance No. 1302 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Oak Avenue Holdings, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project

ORDINANCE NO. 1302

**AN UNCODIFIED ORDINANCE OF THE CITY OF FOLSOM APPROVING
AMENDMENT NO. 2 TO THE FIRST AMENDED AND RESTATED TIER 1
DEVELOPMENT AGREEMENT BETWEEN THE CITY OF FOLSOM AND OAK
AVENUE HOLDINGS, LLC AND TOLL WEST COAST, LLC RELATIVE TO THE
TOLL BROTHERS AT FOLSOM RANCH PROJECT**

WHEREAS, a Final Environmental Impact Report/Environmental Impact Statement for the Folsom Plan Area Specific Plan was prepared and certified by the City Council on June 11, 2011, and the Sacramento Local Agency Formation Commission approved the City's annexation of the Folsom Plan Area on January 18, 2012; and

WHEREAS, pursuant to the authority in Sections 65864 through 65869.5 of the Government Code, the City Council, following a duly notified public hearing on June 28, 2011, approved the Tier 1 Development Agreement relative to the Folsom South Specific Plan (Tier 1 DA) for the development of the Folsom Plan Area by adopting Ordinance No. 1149 on July 12, 2011; and

WHEREAS, the proposed Toll Brothers at Folsom Ranch project consists of the development of an 804 unit active-adult and traditional residential community on a 314-acre site located within the Folsom Plan Area; and

WHEREAS, the City, the landowner, and the developer of the Toll Brothers at Folsom Ranch project desire to amend the DA in order to provide greater certainty and clarity to matters that are common, necessary and essential for the development of the project; and

WHEREAS, the Planning Commission, at its regular meeting on February 19, 2020, considered Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Oak Avenue Holdings, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project at a duly noticed public hearing as prescribed by law, and recommended that the City Council approve said Amendment No. 2; and

WHEREAS, all notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

NOW, THEREFORE, the City Council of the City of Folsom hereby does ordain as follows:

SECTION 1 FINDINGS

A. The above recitals are true and correct and incorporated herein by reference.

B. The Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Oak Avenue Holdings, LLC and Toll West Coast, LLC, is consistent with the objectives, policies, general land uses and programs specified in the City’s General Plan and the Folsom Plan Area Specific Plan.

C. The Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement is in conformity with public convenience, general welfare, and good land use practices.

D. The Amendment No. 2 will not be detrimental to the health, safety, and general welfare of persons residing in the immediate area, nor be detrimental or injurious to property or persons in the general neighborhood or to the general welfare of the residents of the City as a whole.

E. The Amendment No. 2 will not adversely affect the orderly development of property or the preservation of property values.

F. The Amendment No. 2 has been prepared in accordance with, and is consistent with, Government Code Sections 65864 through 65869.5, and City Council Resolution No. 2370.

G. All notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

H. The Amendment No. 2 is consistent with the Environmental Impact Report/Environmental Impact Statement for the Folsom Plan Area Specific Plan certified by the City Council on June 11, 2011 and the 2020 Toll Brothers at Folsom Ranch Addendum, which are incorporated herein by reference. None of the events in Sections 15162 and 15163 of the CEQA Guidelines exists which warrant the preparation of a subsequent EIR or supplemental EIR.

SECTION 2 APPROVAL OF AMENDMENT TO DEVELOPMENT AGREEMENT

The Mayor is hereby authorized and directed to execute the Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Oak Avenue Holdings, LLC and Toll West Coast, LLC on behalf of the City after the effective date of this Ordinance.

SECTION 3 SEVERABILITY

If any section, subsection, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council declares that it would have passed each section irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared unconstitutional, invalid, or ineffective.

SECTION 4 EFFECTIVE DATE

This ordinance shall become effective thirty (30) days from and after its passage and adoption, provided it is published in full or in summary within twenty (20) days after its adoption in a newspaper of general circulation in the City.

This ordinance was introduced and the title thereof read at the regular meeting of the City Council on March 10, 2020 and the second reading occurred at the regular meeting of the City Council on April 14, 2020.

On a motion by Council Member _____, seconded by Council Member _____, the foregoing ordinance was passed and adopted by the City Council of the City of Folsom, State of California, this 14th day of April 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freinantle, CITY CLERK

Attachment 3

Ordinance No. 1303 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and West Scott Road, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch project

ORDINANCE NO. 1303**AN UNCODIFIED ORDINANCE OF THE CITY OF FOLSOM APPROVING
AMENDMENT NO. 2 TO THE FIRST AMENDED AND RESTATED TIER 1
DEVELOPMENT AGREEMENT BETWEEN THE CITY OF FOLSOM AND WEST
SCOTT ROAD, LLC AND TOLL WEST COAST, LLC RELATIVE TO THE TOLL
BROTHERS AT FOLSOM RANCH PROJECT**

WHEREAS, a Final Environmental Impact Report/Environmental Impact Statement for the Folsom Plan Area Specific Plan was prepared and certified by the City Council on June 11, 2011, and the Sacramento Local Agency Formation Commission approved the City's annexation of the Folsom Plan Area on January 18, 2012; and

WHEREAS, pursuant to the authority in Sections 65864 through 65869.5 of the Government Code, the City Council, following a duly notified public hearing on June 28, 2011, approved the Tier 1 Development Agreement relative to the Folsom South Specific Plan (Tier 1 DA) for the development of the Folsom Plan Area by adopting Ordinance No. 1149 on July 12, 2011; and

WHEREAS, the proposed Toll Brothers at Folsom Ranch project consists of the development of an 804 unit active-adult and traditional residential community on a 314-acre site located within the Folsom Plan Area; and

WHEREAS, the City, the landowner, and the developer of the Toll Brothers at Folsom Ranch project desire to amend the DA in order to provide greater certainty and clarity to matters that are common, necessary and essential for the development of the project; and

WHEREAS, the Planning Commission, at its regular meeting on February 19, 2020, considered Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and West Scott Road, LLC and Toll West, Coast, LLC relative to the Toll Brothers at Folsom Ranch Project at a duly noticed public hearing as prescribed by law, and recommended that the City Council approve said Amendment No. 2; and

WHEREAS, all notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

NOW, THEREFORE, the City Council of the City of Folsom hereby does ordain as follows:

SECTION 1 FINDINGS

A. The above recitals are true and correct and incorporated herein by reference.

B. The Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and West Scott Road, LLC and Toll West, Coast, LLC, is consistent with the objectives, policies, general land uses and programs specified in the City’s General Plan and the Folsom Plan Area Specific Plan.

C. The Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement is in conformity with public convenience, general welfare, and good land use practices.

D. The Amendment No. 2 will not be detrimental to the health, safety, and general welfare of persons residing in the immediate area, nor be detrimental or injurious to property or persons in the general neighborhood or to the general welfare of the residents of the City as a whole.

E. The Amendment No. 2 will not adversely affect the orderly development of property or the preservation of property values.

F. The Amendment No. 2 has been prepared in accordance with, and is consistent with, Government Code Sections 65864 through 65869.5, and City Council Resolution No. 2370.

G. All notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

H. The Amendment No. 2 is consistent with the Environmental Impact Report/Environmental Impact Statement for the Folsom Plan Area Specific Plan certified by the City Council on June 11, 2011 and the 2020 Toll Brothers at Folsom Ranch Addendum, which are incorporated herein by reference. None of the events in Sections 15162 and 15163 of the CEQA Guidelines exists which warrant the preparation of a subsequent EIR or supplemental EIR.

SECTION 2 APPROVAL OF AMENDMENT TO DEVELOPMENT AGREEMENT

The Mayor is hereby authorized and directed to execute the Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and West Scott Road, LLC and Toll West, Coast, LLC on behalf of the City after the effective date of this Ordinance.

SECTION 3 SEVERABILITY

If any section, subsection, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council declares that it would have passed each section irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared unconstitutional, invalid, or ineffective.

SECTION 4 EFFECTIVE DATE

This ordinance shall become effective thirty (30) days from and after its passage and adoption, provided it is published in full or in summary within twenty (20) days after its adoption in a newspaper of general circulation in the City.

This ordinance was introduced and the title thereof read at the regular meeting of the City Council on March 10, 2020 and the second reading occurred at the regular meeting of the City Council on April 14, 2020.

On a motion by Council Member _____ seconded by Council Member _____, the foregoing ordinance was passed and adopted by the City Council of the City of Folsom, State of California, this 14th day of April 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

Attachment 4

Ordinance No. 1304 - An Uncodified Ordinance of the City of Folsom Approving Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement between the City of Folsom and Folsom Real Estate South, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project

ORDINANCE NO. 1304

**AN UNCODIFIED ORDINANCE OF THE CITY OF FOLSOM APPROVING
AMENDMENT NO. 3 TO THE FIRST AMENDED AND RESTATED TIER 1
DEVELOPMENT AGREEMENT BETWEEN THE CITY OF FOLSOM AND FOLSOM
REAL ESTATE SOUTH, LLC AND TOLL WEST COAST, LLC RELATIVE TO THE
TOLL BROTHERS AT FOLSOM RANCH PROJECT**

WHEREAS, a Final Environmental Impact Report/Environmental Impact Statement for the Folsom Plan Area Specific Plan was prepared and certified by the City Council on June 11, 2011, and the Sacramento Local Agency Formation Commission approved the City's annexation of the Folsom Plan Area on January 18, 2012; and

WHEREAS, pursuant to the authority in Sections 65864 through 65869.5 of the Government Code, the City Council, following a duly notified public hearing on June 28, 2011, approved the Tier 1 Development Agreement relative to the Folsom South Specific Plan (Tier 1 DA) for the development of the Folsom Plan Area by adopting Ordinance No. 1149 on July 12, 2011; and

WHEREAS, the proposed Toll Brothers at Folsom Ranch project consists of the development of an 804 unit active-adult and traditional residential community on a 314-acre site located within the Folsom Plan Area; and

WHEREAS, the City, the landowner, and the developer of the Toll Brothers at Folsom Ranch project desire to amend the DA in order to provide greater certainty and clarity to matters that are common, necessary and essential for the development of the project; and

WHEREAS, the Planning Commission, at its regular meeting on February 19, 2020, considered Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Folsom Real Estate South, LLC and Toll West Coast, LLC relative to the Toll Brothers at Folsom Ranch Project at a duly noticed public hearing as prescribed by law, and recommended that the City Council approve said Amendment No. 3; and

WHEREAS, all notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

NOW, THEREFORE, the City Council of the City of Folsom hereby does ordain as follows:

SECTION 1 FINDINGS

A. The above recitals are true and correct and incorporated herein by reference.

B. The Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Folsom Real Estate South, LLC and Toll West Coast, LLC is consistent with the objectives, policies, general land uses and programs specified in the City’s General Plan and the Folsom Plan Area Specific Plan.

C. The Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement is in conformity with public convenience, general welfare, and good land use practices.

D. The Amendment No. 3 will not be detrimental to the health, safety, and general welfare of persons residing in the immediate area, nor be detrimental or injurious to property or persons in the general neighborhood or to the general welfare of the residents of the City as a whole.

E. The Amendment No. 3 will not adversely affect the orderly development of property or the preservation of property values.

F. The Amendment No. 3 has been prepared in accordance with, and is consistent with, Government Code Sections 65864 through 65869.5, and City Council Resolution No. 2370.

G. All notices have been given at the time and in the manner required by State Law and the Folsom Municipal Code.

H. The Amendment No. 3 is consistent with the Environmental Impact Report/Environmental Impact Statement for the Folsom Plan Area Specific Plan certified by the City Council on June 11, 2011 and the 2020 Toll Brothers at Folsom Ranch Addendum, which are incorporated herein by reference. None of the events in Sections 15162 and 15163 of the CEQA Guidelines exists which warrant the preparation of a subsequent EIR or supplemental EIR.

SECTION 2 APPROVAL OF AMENDMENT TO DEVELOPMENT AGREEMENT

The Mayor is hereby authorized and directed to execute the Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom and Folsom Real Estate South, LLC and Toll West Coast, LLC on behalf of the City after the effective date of this Ordinance.

SECTION 3 SEVERABILITY

If any section, subsection, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional, invalid, or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council declares that it would have passed each section irrespective of the fact that any one or more section, subsection, sentence, clause, or phrase be declared unconstitutional, invalid, or ineffective.

SECTION 4 EFFECTIVE DATE

This ordinance shall become effective thirty (30) days from and after its passage and adoption, provided it is published in full or in summary within twenty (20) days after its adoption in a newspaper of general circulation in the City.

This ordinance was introduced and the title thereof read at the regular meeting of the City Council on March 10, 2020 and the second reading occurred at the regular meeting of the City Council on April 14, 2020.

On a motion by Council Member _____ seconded by Council Member _____, the foregoing ordinance was passed and adopted by the City Council of the City of Folsom, State of California, this 14th day of April 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

Attachment 5

Amendment No. 2 to the First Amended and Restated Tier 1
Development Agreement by and between the City of Folsom
and Easton Valley Holdings, LLC relative to the Folsom
South Specific Plan

FOR THE BENEFIT OF THE CITY OF FOLSOM
PURSUANT TO GOVERNMENT CODE §6103

RECORDING REQUESTED BY CITY CLERK

WHEN RECORDED MAIL TO:

City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

Exempt from Recording Fees - Govt Code 27383

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

**AMENDMENT NO. 2 TO
FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT
BY AND BETWEEN THE CITY OF FOLSOM AND
EASTON VALLEY HOLDINGS, LLC
RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN**

**AMENDMENT NO. 2 TO
FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT
RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN
(Easton Valley Holdings, LLC)**

This Amendment No. 2 to First Amended and Restated Tier 1 Development Agreement (“Amendment No. 2”) is entered into this ____ day of _____, 2020, by and between the City of Folsom (“City”), and Easton Valley Holdings, LLC (“Landowner”), pursuant to the authority of Sections 65864 through 65869.5 of the Government Code of California. All capitalized terms used herein and not otherwise defined herein shall mean and refer to those terms as defined in Section 1.3 of the Restated Development Agreement described below between the parties hereto.

RECITALS

A. Restated Development Agreement. The City and Landowner previously entered into that certain First Amended and Restated Tier 1 Development Agreement By and Between the City of Folsom and Landowner Relative to the Folsom South Specific Plan, recorded on July 15, 2014, in the Official Records of the County Recorder of Sacramento County in Book 20140715, Page 0481 (the “Original Restated Development Agreement”). The City and Landowner amended the Original Restated Development Agreement pursuant to that certain Amendment No. 1 to First Amended and Restated Tier 1 Development Agreement, recorded on January 29, 2016 in the Official Records of the County Recorder of Sacramento County in Book 20160129, Page 383 (the “Amendment No. 1”). The Original Restated Development Agreement, as amended by Amendment No. 1, shall be referred to herein as the “Restated Development Agreement.” Section 1.5 of the Restated Development Agreement allows the Restated Development Agreement to be amended from time to time by mutual written consent of the parties.

B. Purpose of Amendment. Toll West Coast LLC (“Toll”), with the support and cooperation of Landowner, is processing a General Plan Amendment, Specific Plan Amendment, Small Lot Vesting Tentative Subdivision Map and Planned Development Permit (the “Toll Project Entitlements”) for development of an active adult community together with traditional residential units, commonly referred to as Toll Brothers at Folsom Ranch (the “Toll Project”). The Toll Project will be developed within portions of the Plan Area located outside of the Landowner’s Property subject to this Restated Development Agreement, commonly referred to as the “Toll Project Property”. In connection with and as part of the approval of the Toll Project Entitlements, the General Plan and Specific Plan Amendments include changes to land uses (the “Ancillary Land Use Changes”) for portions of the Landowner’s Property located outside of the Toll Project Property, commonly referred to as Parcels 66, 68, 70, 74, and 158 and a portion of Parcel 162 (the “Affected Property”); these Ancillary Land Use Changes are acceptable to Landowner. Landowner desires, with this Amendment No. 2, that the Ancillary Land Use Changes for the Affected Property be included within the definition of Entitlements as that term is used throughout the Restated Development Agreement, pursuant to Section 1.5.3 of the Restated Development Agreement.

C. Property. The subject of this Restated Agreement is the Development of the Property. Landowner owns the Property and Landowner represents that all persons holding legal or equitable interests in the Property shall be bound by the Restated Agreement, as amended by this Amendment No. 2.

D. Hearings. On _____, 2020, the City Planning Commission, designated as the planning agency for purposes of development agreement review pursuant to Government Code Section 65867, in a duly noticed and conducted public hearing, considered this Amendment No. 2 and recommended that the City Council approve this Amendment No. 2 to the Restated Development Agreement.

E. Environmental Review. On _____, 2020, the City Council considered an Addendum to the Specific Plan EIR (the "Addendum") for development of the Property consistent with the Toll Project Entitlements, including the Ancillary Land Use Changes affecting the Affected Property. An Initial Study prepared in support of the Addendum identified mitigation measures to reduce environmental impacts which have been incorporated into the Toll Project and in the terms and conditions of the approved Ancillary Land Use Changes, as reflected by the findings adopted by the City Council concurrently with this Amendment No. 2.

F. No New Impacts Associated with Approval of Amendment. The City Council has determined that the adoption of this Amendment No. 2 involves no new, significant, or substantially more severe impacts not considered in the Specific Plan EIR and Addendum; therefore, no further environmental documents relating to the adoption of this Amendment No. 2 are required.

G. Consistency with General Plan and Specific Plan. Having duly examined and considered this Amendment No. 2, City finds and declares that this Amendment No. 2 is consistent with the General Plan and the Specific Plan, as amended by the Toll Project Entitlements and Ancillary Land Use Changes.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants, promises, and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the parties hereto do hereby agree to amend the Restated Development Agreement as follows:

1. Amendment of Restated Development Agreement. The definition of "Entitlements" in Recital H is hereby amended as follows:

a. Recital H – Entitlements. The term "Entitlements" set forth in Recital H of the Restated Development Agreement is hereby revised to include the Ancillary Land Use Changes for the Affected Property approved by the City Council by Resolution [_____]. In consideration thereof, and in accordance with the provisions of Section 1.5.3 of the Restated Development Agreement, Landowner hereby reaffirms its agreement

to abide by the provisions of this Restated Development Agreement, as modified hereby, including any conditions of approval and/or mitigation measures related to the development of the Affected Property, as imposed by the City as part of its approval of the Ancillary Land Use Changes.

b. **4.2.2.1 – Landowner Park Land Credits.** The following paragraph is hereby added to Section 4.2.2.1 of the Restated Development Agreement, as amended by Amendment No. 1 thereto, as follows:

“As part of the Toll Project Entitlements and Ancillary Land Use Changes, 10 acres of neighborhood park property previously planned within the Toll Project Property are being relocated to other parcels within the Plan Area, consisting of an 8-acre-expansion of a local park site planned for Parcel 20B, which will change that park from a local to a neighborhood park, and a 2-acre expansion of a local park site planned for Parcel 66 (owned by Landowner), as more particularly shown on **Exhibit 4.2.2.1** attached hereto (collectively, the “Relocated/Expanded Park Sites”). Landowner and City acknowledge and agree that, notwithstanding such relocation and expansion, the park dedication fee credits under the SPIF associated with the dedication of the Relocated/Expanded Park Sites are intended to and shall continue to accrue to the benefit of the Toll Project and be used solely to provide neighborhood park dedication fee credits in connection with development of the Toll Project Property. Landowner, as the owner of the 2-acre park expansion for Parcel 66, shall work with the City and Toll to enter into a park dedication fee credit agreement in the form required by the SPIF Fee Program (the “Park Dedication Fee Credit Agreement”), to document the allocation to Toll solely for development of the Toll Project of the 2-acres of additional park fee credits associated with the dedication of the expanded park site for Parcel 66. When Landowner first submits a tentative large lot subdivision map application for any portion of the Property that includes the expanded park parcel described above, the map shall include the expanded 3.1-acre local park parcel described above, consistent with the Ancillary Land Use Changes, conditions of approval, and/or mitigation measures related to the development of the Other Affected Property imposed by the City as part of its approval of the Ancillary Land Use Changes, as well as any applicable Toll Project Conditions. The City agrees not to enter into any Park Dedication Fee Credit Agreement related to the dedication of the Relocated/Expanded Park Sites unless such Agreement expressly provides that the 2-acres of park land fee credits associated with the planned 2-acre expansion of park land for Parcel 66 belong solely to Toll for development of the Toll Project.”

2. **Effect of Amendment.** This Amendment No. 2 amends, but does not replace or supersede, the Restated Development Agreement. In the event of any conflict, the language of this Amendment No. 2 shall be controlling in all events or circumstances. Except as modified hereby, all other terms and provisions of the Restated Development Agreement shall remain in full force and effect.

3. **Form of Amendment; Execution in Counterparts.** This Amendment No. 2 is executed in duplicate originals, each of which is deemed to be an original, and may be executed in counterparts.

IN WITNESS WHEREOF, the City of Folsom has authorized the execution of this Restated Agreement in duplicate by its Mayor, and attested to by the City Clerk under the authority of Ordinance No. _____ adopted by the City Council on the _____ day of _____, 2020.

CITY:

**CITY OF FOLSOM,
a municipal corporation**

Sarah Aquino, Mayor

APPROVED AS TO CONTENT:

Elaine Andersen, City Manager

APPROVED AS TO FORM:

Steven Wang, City Attorney

ATTEST:

Christa Freemantle, City Clerk

LANDOWNER:

**EASTON VALLEY HOLDINGS, LLC,
a Delaware Limited Liability Company**

By: HBT Carpenter, LLC,
a Delaware Limited Liability Company
Its Managing Member

By: _____
William B. Bunce
Its: Manager

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____
County of _____

On _____, 2020, before me, _____
(Here insert Name and Title of Officer)

personally appeared _____,
Name(s) of Signer(s)

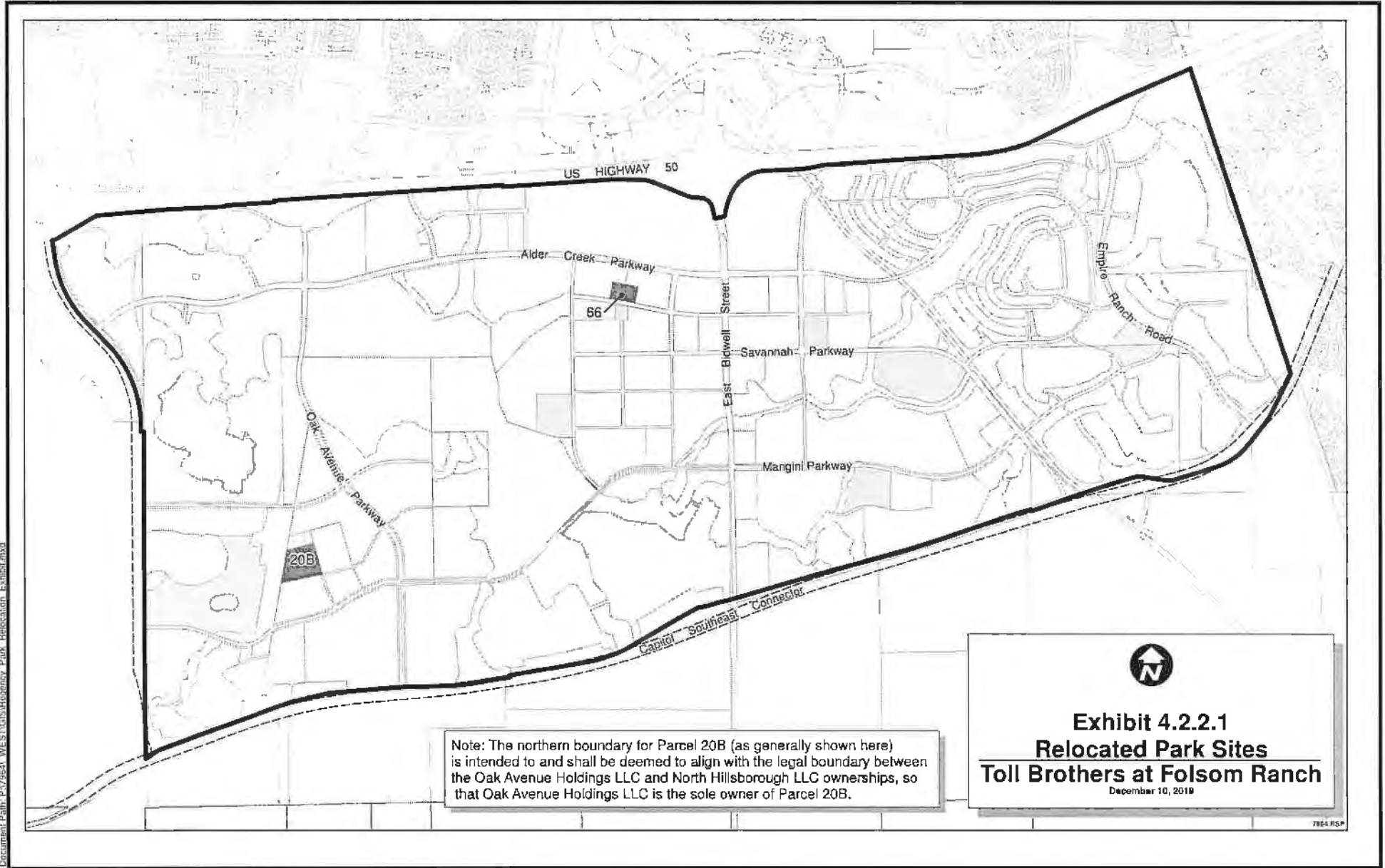
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

NOTARY PUBLIC SIGNATURE

NOTARY PUBLIC SEAL #



Attachment 6

Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom, Oak Avenue Holdings, LLC, and Toll West Coast, LLC relative to the Folsom South Specific Plan

FOR THE BENEFIT OF THE CITY OF FOLSOM
PURSUANT TO GOVERNMENT CODE §6103

RECORDING REQUESTED BY CITY CLERK

WHEN RECORDED MAIL TO:

City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

Exempt from Recording Fees - Govt Code 27383

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

**AMENDMENT NO. 2 TO
FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT
BY AND BETWEEN THE CITY OF FOLSOM,
OAK AVENUE HOLDINGS, LLC AND
TOLL WEST COAST LLC
RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN**

**AMENDMENT NO. 2 TO
FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT
RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN
(Oak Avenue Holdings, LLC)**

This Amendment No. 2 to First Amended and Restated Tier 1 Development Agreement (“Amendment No. 2”) is entered into this ____ day of _____, 2020, by and between the City of Folsom (“City”), Oak Avenue Holdings, LLC (“Landowner”) and Toll West Coast LLC (“Toll”) pursuant to the authority of Sections 65864 through 65869.5 of the Government Code of California. All capitalized terms used herein and not otherwise defined herein shall mean and refer to those terms as defined in Section 1.3 of the Restated Development Agreement described below between the parties hereto.

RECITALS

A. Restated Development Agreement. The City and Landowner previously entered into that certain First Amended and Restated Tier 1 Development Agreement By and Between the City of Folsom and Landowner Relative to the Folsom South Specific Plan, recorded on July 15, 2014, in the Official Records of the County Recorder of Sacramento County in Book 20140715, Page 0552 (the “Original Restated Development Agreement”). The City and Landowner amended the Original Restated Development Agreement pursuant to that certain Amendment No. 1 to First Amended and Restated Tier 1 Development Agreement, recorded on July 11, 2017 in the Official Records of the County Recorder of Sacramento County, Document No. 201707110163 (the “Amendment No. 1”). The Original Restated Development Agreement, as amended by Amendment No. 1, shall be referred to herein as the “Restated Development Agreement. Section 1.5 of the Restated Development Agreement allows the Restated Development Agreement to be amended from time to time by mutual written consent of the parties.

B. Purpose of Amendment. Toll, with the support and cooperation of Landowner, is processing a General Plan Amendment, Specific Plan Amendment, Small Lot Vesting Tentative Subdivision Map and Planned Development Permit (the “Toll Project Entitlements”) for development of an active adult community together with traditional residential units, commonly referred to as Toll Brothers at Folsom Ranch (the “Toll Project”). The Toll Project will be developed within the portion of the Property described in **Exhibit A** and shown in **Exhibit A-1** attached hereto (the “Toll Project Property”). In connection with and as part of the approval of the Toll Project Entitlements, the General Plan and Specific Plan Amendments include changes to land uses (the “Ancillary Land Use Changes”) for portions of the Property located outside of the Toll Project Property commonly referred to as Parcel 20A (the “Other Affected Property”); these Ancillary Land Use Changes are acceptable to Landowner. Toll and Landowner desire, with this Amendment No. 2, that the Toll Project Entitlements for the Toll Project Property, including the conditions of approval and mitigation measures related to the development thereof (the “Toll Project Conditions”), and the Ancillary Land Use Changes for the Other Affected Property, be included within the definition of Entitlements

as that term is used throughout the Restated Development Agreement, pursuant to Section 1.5.3 of the Restated Development Agreement.

C. Property. The subject of this Restated Agreement is the Development of the Property. Landowner owns the Property, Toll has the contractual right to acquire the Toll Project Property portion thereof from Landowner, and Landowner and Toll represent that all persons holding legal or equitable interests in the Property shall be bound by the Restated Agreement, as amended by this Amendment No. 2.

D. Hearings. On _____, 2020, the City Planning Commission, designated as the planning agency for purposes of development agreement review pursuant to Government Code Section 65867, in a duly noticed and conducted public hearing, considered this Amendment No. 2 and recommended that the City Council approve this Amendment No. 2 to the Restated Development Agreement.

E. Environmental Review. On _____, 2020, the City Council considered an Addendum to the Specific Plan EIR (the "Addendum") for development of the Property consistent with the Toll Project Entitlements. An Initial Study prepared in support of the Addendum identified mitigation measures to reduce environmental impacts which have been incorporated into the Toll Project and in the terms and conditions of the approved Toll Project Entitlements, as reflected by the findings adopted by the City Council concurrently with this Amendment No. 2.

F. No New Impacts Associated with Approval of Amendment. The City Council has determined that the adoption of this Amendment No. 2 involves no new, significant, or substantially more severe impacts not considered in the Specific Plan EIR and Addendum; therefore, no further environmental documents relating to the adoption of this Amendment No. 2 are required.

G. Consistency with General Plan and Specific Plan. Having duly examined and considered this Amendment No. 2, City finds and declares that this Amendment No. 2 is consistent with the General Plan and the Specific Plan, as amended by the Toll Project Entitlements.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants, promises, and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the parties hereto do hereby agree to amend the Restated Development Agreement as follows:

1. Amendment of Restated Development Agreement. The definition of "Entitlements" in Recital H is hereby amended as follows:

a. Recital H – Entitlements. The term "Entitlements" set forth in Recital H of the Restated Development Agreement is hereby revised to include the Toll Project Entitlements for the Toll Project Property and the Ancillary Land Use Changes for the Other Affected Property approved by the City Council by Resolution [_____].

In consideration thereof, and in accordance with the provisions of Section 1.5.3 of the Restated Development Agreement, Landowner hereby reaffirms its agreement to abide by the provisions of this Restated Development Agreement, as modified hereby, including the conditions of approval and mitigation measures related to the development of the Toll Project within the Toll Project Property (the "Toll Project Conditions"), as imposed by the City as part of its approval of the Toll Project Entitlements, and any conditions of approval and/or mitigation measures related to the development of the Other Affected Property, as imposed by the City as part of its approval of the Ancillary Land Use Changes.

b. 4.2.2.1 – **Landowner Park Land Credits.** The following paragraph is hereby added to Section 4.2.2.1 of the Restated Development Agreement, as amended by Amendment No. 1 thereto, as follows:

"As part of the Toll Project Entitlements and Ancillary Land Use Changes, 10 acres of neighborhood park property previously planned within the Toll Project Property are being relocated to other parcels within the Plan Area, consisting of an 8-acre expansion of a local park site planned for Parcel 20B, which will change that park from a local to a neighborhood park, and a 2-acre expansion of a local park site planned for Parcel 66, as more particularly shown on **Exhibit 4.2.2.1** attached hereto (collectively, the "Relocated/Expanded Park Sites"). Landowner and City acknowledge and agree that, notwithstanding such relocation and expansion, the park dedication fee credits under the SPIF associated with the dedication of the Relocated/Expanded Park Sites are intended to and shall continue to accrue to the benefit of the Toll Project and be used solely to provide park dedication fee credits in connection with development of the Toll Project Property. Landowner and Toll, together with the owners of the Relocated/Expanded Park Sites, shall work with the City to enter into a park dedication fee credit agreement in the form required by the SPIF Fee Program (the "Park Dedication Fee Credit Agreement"), to document the allocation to Toll solely for development of the Toll Project of the 10-acres of park fee credits associated with the dedication of the Relocated/Expanded Park Sites.

When Landowner first submits a tentative large lot subdivision map application for any portion of the Property that includes the expanded park parcel described above, the map shall include the expanded 10.3-acre neighborhood park parcel described above, consistent with the Ancillary Land Use Changes, conditions of approval, and/or mitigation measures related to the development of the Other Affected Property imposed by the City as part of its approval of the Ancillary Land Use Changes, as well as any applicable Toll Project Conditions. The City agrees not to enter into any Park Dedication Fee Credit Agreement related to the dedication of the Relocated/Expanded Park Sites unless such Agreement expressly provides that the 10-acres of park land fee credits associated with the planned dedications of the 8 acres of expanded park land for Parcel 20B and the 2 acres of expanded

park land for Parcel 66 belong solely to Toll for development of the Toll Project.”

2. **Effect of Amendment.** This Amendment No. 2 amends, but does not replace or supersede, the Restated Development Agreement. In the event of any conflict, the language of this Amendment No. 2 shall be controlling in all events or circumstances. Except as modified hereby, all other terms and provisions of the Restated Development Agreement shall remain in full force and effect.

3. **Automatic Assumption of Toll Project Entitlements/Conditions Upon Conveyance of Toll Project Property to Toll.** Upon conveyance of the Toll Project Property described in **Exhibit A** hereto by grant deed from Landowner to Toll, in consideration of Toll signing as party to this Amendment No. 2 and agreeing to the terms hereof, Toll shall automatically assume all rights, title, interest, burdens and obligations of “Landowner” under the Restated Development Agreement, as amended hereby, with respect to development of the Toll Project Property accruing on or after the conveyance of the Toll Project Property to Toll. Toll shall thereby automatically assume and be solely responsible for complying with and satisfying all conditions of approval and mitigation measures related to the development of the Toll Project Property consistent with the Toll Project Entitlements and the terms of the Restated Development Agreement, as amended hereby, including without limitation, the Toll Project Conditions related thereto as applied to the Toll Project Property, which accrue on or after the conveyance of the Toll Project Property to Toll. Furthermore, upon such conveyance, Oak Avenue Holdings, LLC, as Landowner, shall be released from any burdens or obligations to comply with any of the provisions of the Restated Development Agreement, as amended hereby, related to the development of the Toll Project Property, including without limitation the Toll Project Conditions related thereto which accrue on or after the conveyance of the Toll Project Property to Toll. Oak Avenue Holdings, LLC, shall retain all rights, title, interest, burdens and obligations under the Restated Development Agreement, as amended hereby, with respect to the remainder of the Property, including the changes in land uses associated with the Ancillary Land Use Approvals for the Other Affected Property therein. Landowner acknowledges that, until the Toll Project Property is conveyed to Toll, Landowner shall be solely obligated to comply with the terms and conditions of the Toll Project Entitlements, including the Toll Project Conditions related thereto, in connection with any development of the Toll Project Property.

Upon the conveyance of the Toll Project Property from Landowner to Toll, Landowner shall provide written notice thereof to the City, together with a conformed copy of the grant deed related thereto. Upon receipt of such notice, for purposes of Section 7.5 of the Restated Agreement, the Notice Address for Landowner with respect to the Toll Project Property shall be as follows:

Toll West Coast LLC
c/o Toll Brothers
2330 E. Bidwell Street
Folsom, CA 95630
Attn: Greg Van Dam, P.E.
Director of Land Development

Email: gvandam@tollbrothers.com

4. **Form of Amendment: Execution in Counterparts.** This Amendment No. 2 is executed in duplicate originals, each of which is deemed to be an original, and may be executed in counterparts.

IN WITNESS WHEREOF, the City of Folsom has authorized the execution of this Restated Agreement in duplicate by its Mayor, and attested to by the City Clerk under the authority of Ordinance No. _____ adopted by the City Council on the _____ day of _____, 2020.

CITY:

LANDOWNER:

**CITY OF FOLSOM,
a municipal corporation**

**OAK AVENUE HOLDINGS, LLC
a Delaware Limited Liability Company**

Sarah Aquino, Mayor

By: HBT Hillsborough, LLC
a Delaware Limited Liability Company
Its Managing Member

APPROVED AS TO CONTENT:

Elaine Andersen, City Manager

By: _____
William B. Bunce
Its: Manager

APPROVED AS TO FORM:

Steven Wang, City Attorney

TOLL:

**TOLL WEST COAST LLC,
a Delaware Limited Liability Company**

ATTEST:

Christa Freemantle, City Clerk

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____
County of _____

On _____, 2020, before me, _____
(Here insert Name and Title of Officer)

personally appeared _____,
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

NOTARY PUBLIC SIGNATURE

NOTARY PUBLIC SEAL

EXHIBIT "A"
DESCRIPTION OF LANDS OF OAK AVENUE HOLDINGS, LLC

All that real property situated in the City of Folsom, County of Sacramento, State of California located within Sections 19 and 20, Township 9 North, Range 8 East, Mount Diablo Meridian, being a portion of the Lands of Oak Avenue Holdings, LLC, a Delaware limited liability company as described in that certain Grant Deed recorded May 30, 2019 in Document #201905301373, Official Records of Sacramento County, being further described as follows:

Resultant Parcel 5A as shown and so designated on Exhibit "C" and Exhibit "C-1" in that certain Grant Deed recorded May 30, 2019 in Document #201905301373, Official Records of Sacramento County.

Containing 79.99 acres of land, more or less.

See Exhibit "A-1", plat to accompany description, attached hereto and made a part hereof.

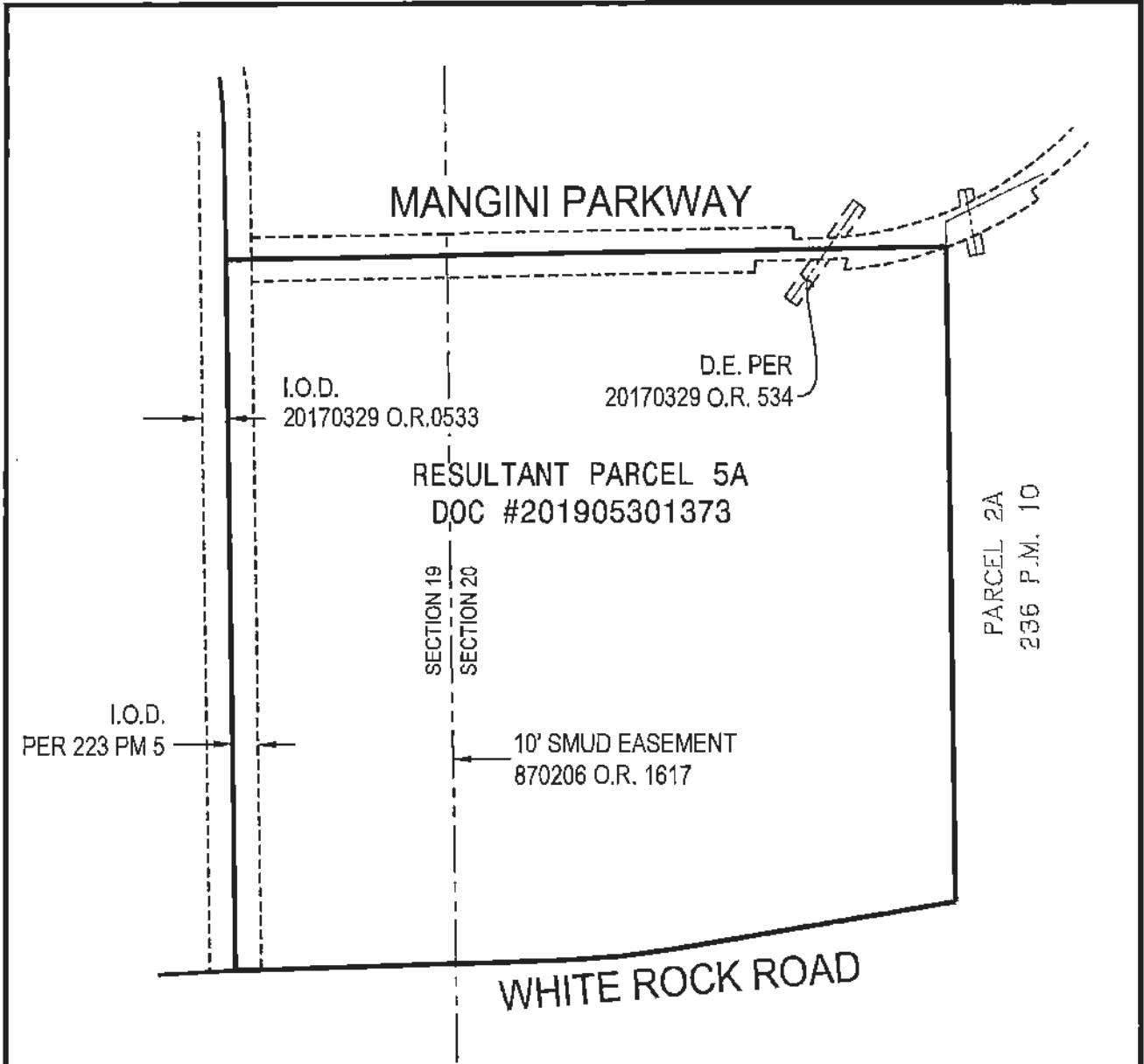
This legal description was prepared by me or under my supervision pursuant to Section 8729 (2) of the Professional Land Surveyors Act.

Robert M. Plank, PLS 5760
License Expiration Date: 06-30-2020



Date: _____

Description prepared by:
MACKAY & SOMPS CIVIL ENGINEERS, INC.
1025 Creekside Ridge Drive, Suite 150, Roseville, CA 95678
P:\7964\survey-MS\mapping\desc\MANGINI RANCH WEST\toll bros\DESC-res pcl 5A- Oak Ave
LLA.docx



SHEET X OF X

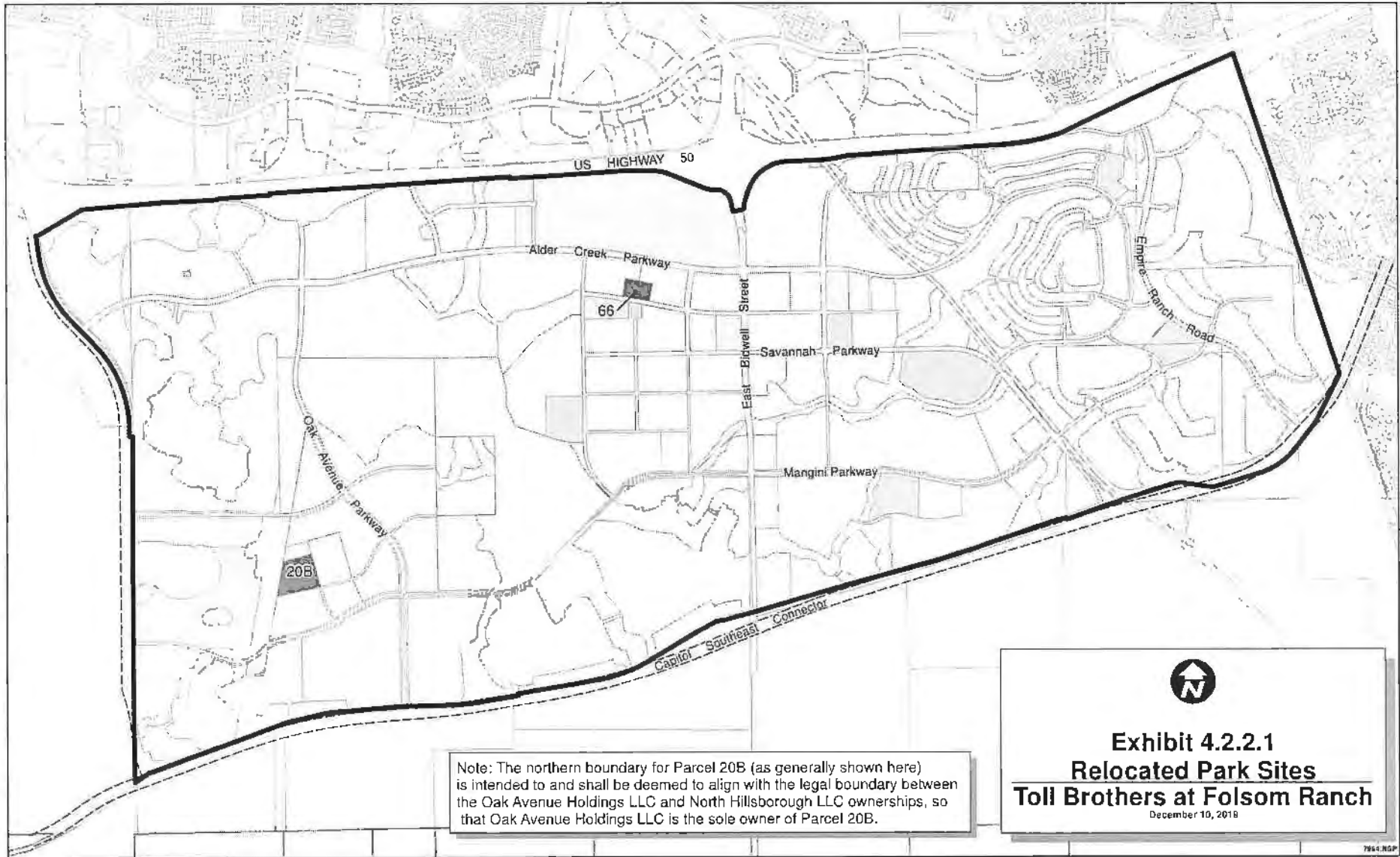


EXHIBIT "A-1"
 RESULTANT PARCEL 5A
 MANGINI RANCH WEST
 PART OF SECTIONS 19 & 20, T.9 N., R. 8 E., M.D.M.
 CITY OF FOLSOM
 COUNTY OF SACRAMENTO STATE OF CALIFORNIA

MACKAY & SOMPS
 ENGINEERS PLANNERS SURVEYORS
 1026 Crocker-Hale Ridge Drive, Suite 150, Roseville, CA 95678 (916) 773-1189

RMP	1"= 400'	10/18/19	7964.RSP.TB1
DRAWN BY	SCALE	DATE	JOB NO.

IF A DISCREPANCY EXISTS BETWEEN THIS EXHIBIT AND THE ASSOCIATED DESCRIPTION, THE DESCRIPTION HOLDS. THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY.



Attachment 7

Amendment No. 2 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom, West Scott Road, LLC, and Toll West Coast, LLC relative to the Folsom South Specific Plan

FOR THE BENEFIT OF THE CITY OF FOLSOM
PURSUANT TO GOVERNMENT CODE §6103

RECORDING REQUESTED BY CITY CLERK

WHEN RECORDED MAIL TO:

City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

Exempt from Recording Fees - Govt Code 27383

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

**AMENDMENT NO. 2 TO
FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT
BY AND BETWEEN THE CITY OF FOLSOM,
WEST SCOTT ROAD, LLC AND
TOLL WEST COAST LLC
RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN**

**AMENDMENT NO. 2 TO
FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT
RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN
(West Scott Road, LLC)**

This Amendment No. 2 to First Amended and Restated Tier 1 Development Agreement ("Amendment No. 2") is entered into this ____ day of _____, 2020, by and between the City of Folsom ("City"), West Scott Road, LLC ("Landowner") and Toll West Coast LLC ("Toll") pursuant to the authority of Sections 65864 through 65869.5 of the Government Code of California. All capitalized terms used herein and not otherwise defined herein shall mean and refer to those terms as defined in Section 1.3 of the Restated Development Agreement described below between the parties hereto.

RECITALS

A. Restated Development Agreement. The City and Landowner previously entered into that certain First Amended and Restated Tier 1 Development Agreement By and Between the City of Folsom and Landowner Relative to the Folsom South Specific Plan, recorded on July 15, 2014, in the Official Records of the County Recorder of Sacramento County in Book 20140715, Page 0344 (the "Original Restated Development Agreement"). The City and Landowner amended the Original Restated Development Agreement pursuant to that certain Amendment No. 1 to First Amended and Restated Tier 1 Development Agreement, recorded on January 29, 2016 in the Official Records of the County Recorder of Sacramento County in Book 20160129, Page 380 (the "Amendment No. 1"). The Original Restated Development Agreement, as amended by Amendment No. 1, shall be referred to herein as the "Restated Development Agreement". Section 1.5 of the Restated Development Agreement allows the Restated Development Agreement to be amended from time to time by mutual written consent of the parties.

B. Purpose of Amendment. Toll, with the support and cooperation of Landowner, is processing a General Plan Amendment, Specific Plan Amendment, Small Lot Vesting Tentative Subdivision Map and Planned Development Permit (the "Toll Project Entitlements") for development of an active adult community together with traditional residential units, commonly referred to as Toll Brothers at Folsom Ranch (the "Toll Project"). The Toll Project will be developed within the portion of the Property described in **Exhibit A** and shown in **Exhibit A-1** attached hereto (the "Toll Project Property"). Toll and Landowner desire, with this Amendment No. 2, that the Toll Project Entitlements for the Toll Project Property, including the conditions of approval and mitigation measures related to the development thereof (the "Toll Project Conditions"), be included within the definition of Entitlements as that term is used throughout the Restated Development Agreement, pursuant to Section 1.5.3 of the Restated Development Agreement.

C. Property. The subject of this Restated Agreement is the Development of the Property. Landowner owns the Property, Toll has the contractual right to acquire the Toll Project Property portion thereof from Landowner, and Landowner and Toll represent

that all persons holding legal or equitable interests in the Property shall be bound by the Restated Agreement, as amended by this Amendment No. 2.

D. Hearings. On _____, 2020, the City Planning Commission, designated as the planning agency for purposes of development agreement review pursuant to Government Code Section 65867, in a duly noticed and conducted public hearing, considered this Amendment No. 2 and recommended that the City Council approve this Amendment No. 2 to the Restated Development Agreement.

E. Environmental Review. On _____, 2020, the City Council considered an Addendum to the Specific Plan EIR (the "Addendum") for development of the Property consistent with the Toll Project Entitlements. An Initial Study prepared in support of the Addendum identified mitigation measures to reduce environmental impacts which have been incorporated into the Toll Project and in the terms and conditions of the approved Toll Project Entitlements, as reflected by the findings adopted by the City Council concurrently with this Amendment No. 2.

F. No New Impacts Associated with Approval of Amendment. The City Council has determined that the adoption of this Amendment No. 2 involves no new, significant, or substantially more severe impacts not considered in the Specific Plan EIR and Addendum; therefore, no further environmental documents relating to the adoption of this Amendment No. 2 are required.

G. Consistency with General Plan and Specific Plan. Having duly examined and considered this Amendment No. 2, City finds and declares that this Amendment No. 2 is consistent with the General Plan and the Specific Plan, as amended by the Toll Project Entitlements.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants, promises, and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the parties hereto do hereby agree to amend the Restated Development Agreement as follows:

1. Amendment of Restated Development Agreement. The definition of "Entitlements" in Recital H is hereby amended as follows:

a. Recital H – Entitlements. The term "Entitlements" set forth in Recital H of the Restated Development Agreement is hereby revised to include the Toll Project Entitlements for the Toll Project Property approved by the City Council by Resolution [_____]. In consideration thereof, and in accordance with the provisions of Section 1.5.3 of the Restated Development Agreement, Landowner hereby reaffirms its agreement to abide by the provisions of this Restated Development Agreement, as modified hereby, including the conditions of approval and mitigation measures related to the development of the Toll Project within the Toll Project Property (the "Toll Project Conditions"), as imposed by the City as part of its approval of the Toll Project Entitlements.

b. 4.2.2.1 – **Landowner Park Land Credits**. The following paragraph is hereby added to Section 4.2.2.1 of the Restated Development Agreement, as amended by Amendment No. 1 thereto, as follows:

“As part of the Toll Project Entitlements, 10 acres of neighborhood park property previously planned within the Toll Project Property are being relocated to other parcels within the Plan Area, consisting of an 8-acre expansion of a local park site planned for Parcel 20B, which will change that park from a local to a neighborhood park, and a 2-acre expansion of a local park site planned for Parcel 66, as more particularly shown on **Exhibit 4.2.2.1** attached hereto (collectively, the “Relocated/Expanded Park Sites”). Landowner and City acknowledge and agree that, notwithstanding such relocation and expansion, the park dedication fee credits under the SPIF associated with the dedication of the Relocated/Expanded Park Sites are intended to and shall continue to accrue to the benefit of the Toll Project and be used solely to provide park dedication fee credits in connection with development of the Toll Project Property. Landowner and Toll, together with the owners of the Relocated/Expanded Park Sites, shall work with the City to enter into a park dedication fee credit agreement in the form required by the SPIF Fee Program (the “Park Dedication Fee Credit Agreement”), to document the allocation to Toll solely for development of the Toll Project of the 10-acres of park fee credits associated with the dedication of the Relocated/Expanded Park Sites. The City agrees not to enter into any Park Dedication Fee Credit Agreement related to the dedication of the Relocated/Expanded Park Sites unless such Agreement expressly provides that the 10-acres of park land fee credits associated with the planned dedications of the 8 acres of expanded park land for Parcel 20B and the 2 acres of expanded park land for Parcel 66 belong solely to Toll for development of the Toll Project.”

2. **Effect of Amendment**. This Amendment No. 2 amends, but does not replace or supersede, the Restated Development Agreement. In the event of any conflict, the language of this Amendment No. 2 shall be controlling in all events or circumstances. Except as modified hereby, all other terms and provisions of the Restated Development Agreement shall remain in full force and effect.

3. **Automatic Assumption of Toll Project Entitlements/Conditions Upon Conveyance of Toll Project Property to Toll**. Upon conveyance of the Toll Project Property described in **Exhibit A** hereto by grant deed from Landowner to Toll, in consideration of Toll signing as party to this Amendment No. 2 and agreeing to the terms hereof, Toll shall automatically assume all rights, title, interest, burdens and obligations of “Landowner” under the Restated Development Agreement, as amended hereby, with respect to development of the Toll Project Property accruing on or after the conveyance

of the Toll Project Property to Toll. Toll shall thereby automatically assume and be solely responsible for complying with and satisfying all conditions of approval and mitigation measures related to the development of the Toll Project Property consistent with the Toll Project Entitlements and the terms of the Restated Development Agreement, as amended hereby, including without limitation, the Toll Project Conditions related thereto as applied to the Toll Project Property, which accrue on or after the conveyance of the Toll Project Property to Toll. Furthermore, upon such conveyance, West Scott Road, LLC, as Landowner, shall be released from any burdens or obligations to comply with any of the provisions of the Restated Development Agreement, as amended hereby, related to the development of the Toll Project Property, including without limitation the Toll Project Conditions related thereto which accrue on or after the conveyance of the Toll Project Property to Toll. West Scott Road, LLC, shall retain all rights, title, interest, burdens and obligations under the Restated Development Agreement, as amended hereby, with respect to the remainder of the Property. Landowner acknowledges that, until the Toll Project Property is conveyed to Toll, Landowner shall be solely obligated to comply with the terms and conditions of the Toll Project Entitlements, including the Toll Project Conditions related thereto, in connection with any development of the Toll Project Property.

Upon the conveyance of the Toll Project Property from Landowner to Toll, Landowner shall provide written notice thereof to the City, together with a conformed copy of the grant deed related thereto. Upon receipt of such notice, for purposes of Section 7.5 of the Restated Agreement, the Notice Address for Landowner with respect to the Toll Project Property shall be as follows:

Toll West Coast LLC
c/o Toll Brothers
2330 E. Bidwell Street
Folsom, CA 95630
Attn: Greg Van Dam, P.E.
Director of Land Development
Email: gvandam@tollbrothers.com

4. **Form of Amendment; Execution in Counterparts.** This Amendment No. 2 is executed in duplicate originals, each of which is deemed to be an original, and may be executed in counterparts.

IN WITNESS WHEREOF, the City of Folsom has authorized the execution of this Restated Agreement in duplicate by its Mayor, and attested to by the City Clerk under the authority of Ordinance No. _____ adopted by the City Council on the _____ day of _____, 2020.

CITY:

**CITY OF FOLSOM,
a municipal corporation**

Sarah Aquino, Mayor

APPROVED AS TO CONTENT:

Elaine Andersen, City Manager

APPROVED AS TO FORM:

Steven Wang, City Attorney

ATTEST:

Christa Freemantle, City Clerk

LANDOWNER:

**WEST SCOTT ROAD, LLC
a Delaware Limited Liability Company**

By: HBT Mangini, LLC
a Delaware Limited Liability Company
Its Managing Member

By: _____
William B. Bunce
Its: Manager

TOLL:

**TOLL WEST COAST LLC,
a Delaware Limited Liability Company**

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____
County of _____

On _____, 2020, before me, _____
(Here insert Name and Title of Officer)

personally appeared _____,
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

NOTARY PUBLIC SIGNATURE

NOTARY PUBLIC SEAL

EXHIBIT "A"
DESCRIPTION OF LANDS OF WEST SCOTT ROAD LLC

All that real property situated in the City of Folsom, County of Sacramento, State of California located within Sections 17 and 20, Township 9 North, Range 8 East, Mount Diablo Meridian, being further described as follows:

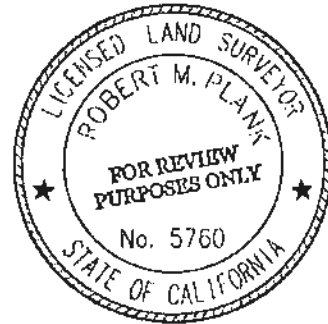
Parcel 2 as shown and so designated on that certain Parcel Map filed for record June 3, 2019 in Book 236 of Parcel Maps, at Page 9, Sacramento County Records.

Containing 34.21 acres of land, more or less.

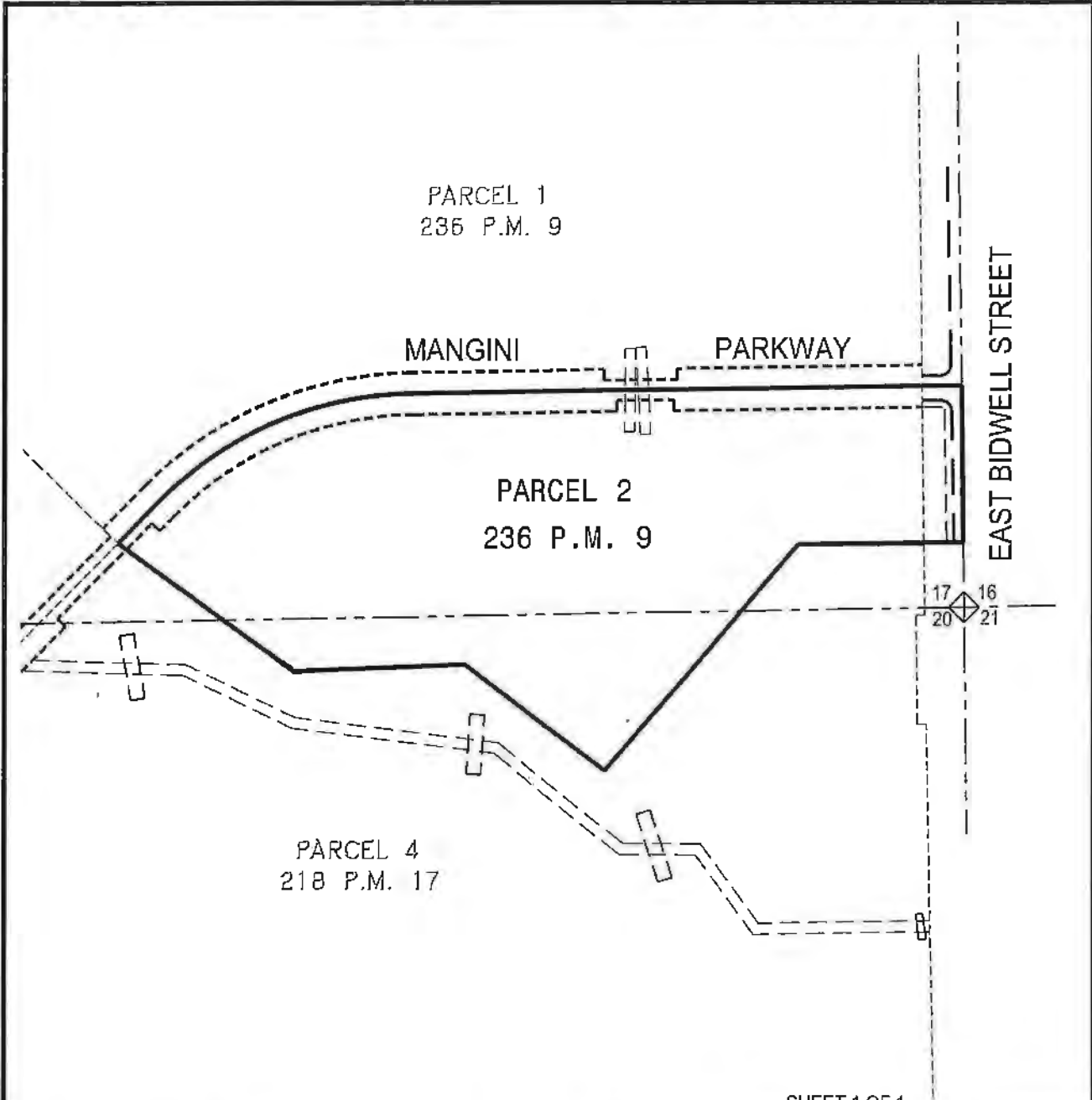
See Exhibit "A-1", plat to accompany description, attached hereto and made a part hereof.

This legal description was prepared by me or under my supervision pursuant to Section 8729 (2) of the Professional Land Surveyors Act.

Robert M. Plank, PLS 5760
License Expiration Date: 06-30-2020



Date: _____



SHEET 1 OF 1

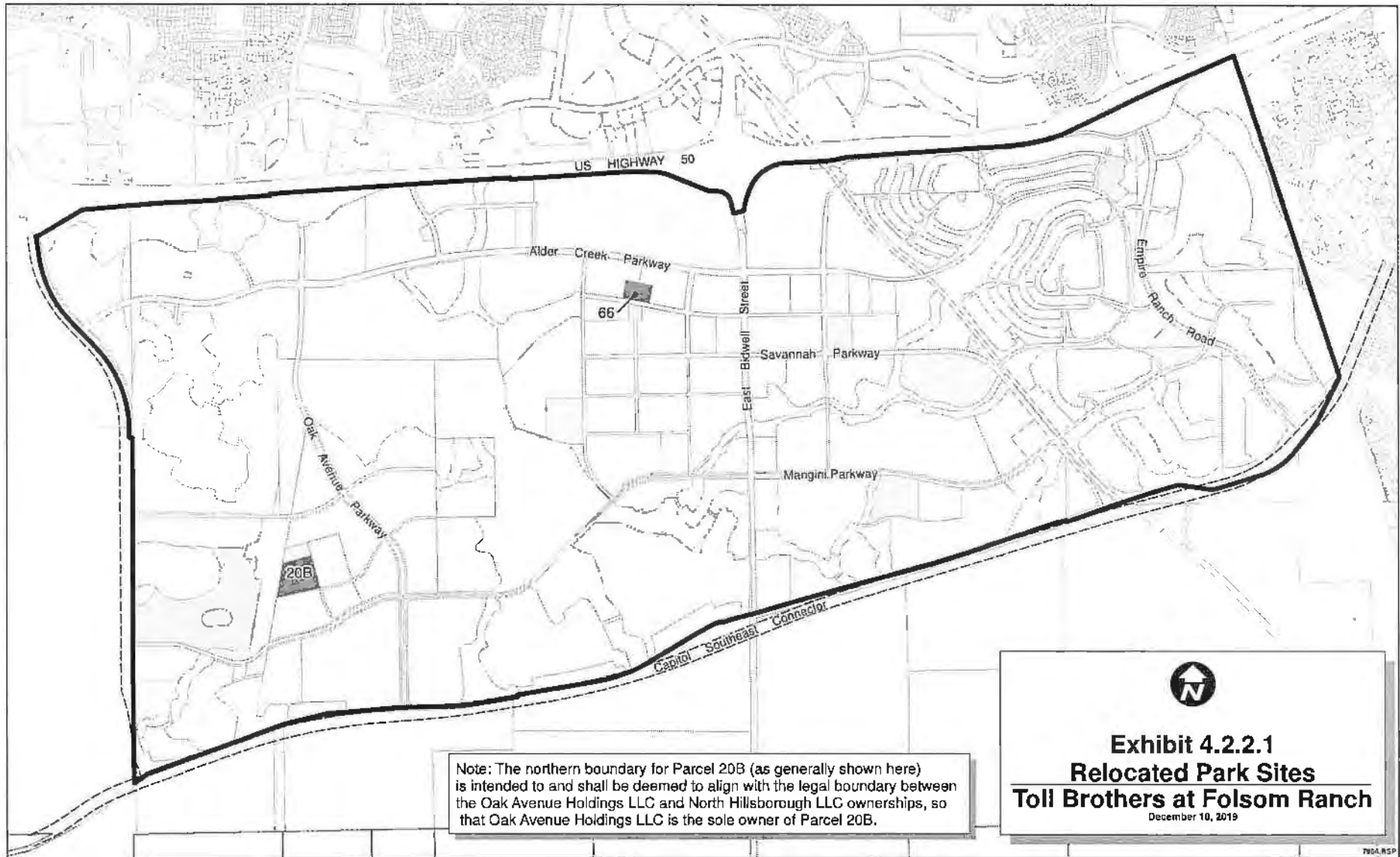


EXHIBIT "A-1"
 PARCEL 2, 236 P.M. 9
 MANGINI RANCH WEST
 PART OF SECTIONS 17 & 20, T.9 N., R. 8 E., M.D.M.
 CITY OF FOLSOM
 COUNTY OF SACRAMENTO STATE OF CALIFORNIA

MACKEY & SOMPS
 ENGINEERS PLANNERS SURVEYORS
 1025 Creekside Ridge Drive, Suite 150, Roseville, CA 95678 (916) 773-1189

IF A DISCREPANCY EXISTS BETWEEN THIS EXHIBIT AND THE ASSOCIATED DESCRIPTION, THE DESCRIPTION HOLDS. THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY.

RMP	1"= 400'	10/18/19	7964.RSP.TB1
DRAWN BY	SCALE	DATE	JOB NO.



Note: The northern boundary for Parcel 20B (as generally shown here) is intended to and shall be deemed to align with the legal boundary between the Oak Avenue Holdings LLC and North Hillsborough LLC ownerships, so that Oak Avenue Holdings LLC is the sole owner of Parcel 20B.


Exhibit 4.2.2.1
Relocated Park Sites
Toll Brothers at Folsom Ranch
 December 10, 2019

Attachment 8

Amendment No. 3 to the First Amended and Restated Tier 1 Development Agreement by and between the City of Folsom, Folsom Real Estates South, LLC, and Toll West Coast, LLC relative to the Folsom South Specific Plan

FOR THE BENEFIT OF THE CITY OF FOLSOM
PURSUANT TO GOVERNMENT CODE §6103

RECORDING REQUESTED BY CITY CLERK

WHEN RECORDED MAIL TO:

City Clerk
City of Folsom
50 Natoma Street
Folsom, CA 95630

Exempt from Recording Fees - Govt Code 27383

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

**AMENDMENT NO. 3 TO
FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT
BY AND BETWEEN THE CITY OF FOLSOM,
FOLSOM REAL ESTATE SOUTH, LLC AND
TOLL WEST COAST LLC
RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN**

**AMENDMENT NO. 3 TO
FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT
RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN
(Folsom Real Estate South, LLC)**

This Amendment No. 3 to First Amended and Restated Tier 1 Development Agreement (“Amendment No. 3”) is entered into this ____ day of _____, 2020, by and between the City of Folsom (“City”), Folsom Real Estate South, LLC (“Landowner”) and Toll West Coast LLC (“Toll”) pursuant to the authority of Sections 65864 through 65869.5 of the Government Code of California. All capitalized terms used herein and not otherwise defined herein shall mean and refer to those terms as defined in Section 1.3 of the Restated Development Agreement described below between the parties hereto.

RECITALS

A. Restated Development Agreement. The City and Landowner previously entered into that certain First Amended and Restated Tier 1 Development Agreement By and Between the City of Folsom and Landowner Relative to the Folsom South Specific Plan, recorded on July 15, 2014, in the Official Records of the County Recorder of Sacramento County in Book 20140715, Page 0426 (the “Original Restated Development Agreement”). The City and Landowner amended the Original Restated Development Agreement pursuant to that certain Amendment No. 1 to First Amended and Restated Tier 1 Development Agreement, recorded on January 29, 2016 in the Official Records of the County Recorder of Sacramento County in Book 20160129, Page 381 (the “Amendment No. 1”) and that certain Amendment No. 2 to First Amended and Restated Tier 1 Development Agreement, recorded on January 29, 2016 in the Official Records of the County Recorder of Sacramento County in Book 20160129, Page 382 (the “Amendment No. 2”). The Original Restated Development Agreement, as amended by Amendment No. 1 and Amendment No. 2, shall be referred to herein as the “Restated Development Agreement”. Section 1.5 of the Restated Development Agreement allows the Restated Development Agreement to be amended from time to time by mutual written consent of the parties.

B. Purpose of Amendment. Toll, with the support and cooperation of Landowner, is processing a General Plan Amendment, Specific Plan Amendment, Small Lot Vesting Tentative Subdivision Map and Planned Development Permit (the “Toll Project Entitlements”) for development of an active adult community together with traditional residential units, commonly referred to as Toll Brothers at Folsom Ranch (the “Toll Project”). The Toll Project will be developed within the portion of the Property described in Exhibit A and shown in Exhibit A-1 attached hereto (the “Toll Project Property”). In connection with and as part of the approval of the Toll Project Entitlements, the General Plan and Specific Plan Amendments include changes to land uses (the “Ancillary Land Use Changes”) for portions of the Property located outside of the Toll Project Property commonly referred to as Parcels 73, 137, 155 and 161 and a portion of Parcel 162 (the “Other Affected Property”); these Ancillary Land Use Changes are acceptable to Landowner. Toll and Landowner desire, with this Amendment No. 3, that

the Toll Project Entitlements for the Toll Project Property, including the conditions of approval and mitigation measures related to the development thereof (the "Toll Project Conditions"), and the Ancillary Land Use Changes for the Other Affected Property, be included within the definition of Entitlements as that term is used throughout the Restated Development Agreement, pursuant to Section 1.5.3 of the Restated Development Agreement.

C. Property. The subject of this Restated Agreement is the Development of the Property. Landowner owns the Property, Toll has the contractual right to acquire the Toll Project Property portion thereof from Landowner, and Landowner and Toll represent that all persons holding legal or equitable interests in the Property shall be bound by the Restated Agreement, as amended by this Amendment No. 3.

D. Hearings. On _____, 2020, the City Planning Commission, designated as the planning agency for purposes of development agreement review pursuant to Government Code Section 65867, in a duly noticed and conducted public hearing, considered this Amendment No. 3 and recommended that the City Council approve this Amendment No. 3 to the Restated Development Agreement.

E. Environmental Review. On _____, 2020, the City Council considered an Addendum to the Specific Plan EIR (the "Addendum") for development of the Property consistent with the Toll Project Entitlements. An Initial Study prepared in support of the Addendum identified mitigation measures to reduce environmental impacts which have been incorporated into the Toll Project and in the terms and conditions of the approved Toll Project Entitlements, as reflected by the findings adopted by the City Council concurrently with this Amendment No. 3.

F. No New Impacts Associated with Approval of Amendment. The City Council has determined that the adoption of this Amendment No. 3 involves no new, significant, or substantially more severe impacts not considered in the Specific Plan EIR and Addendum; therefore, no further environmental documents relating to the adoption of this Amendment No. 3 are required.

G. Consistency with General Plan and Specific Plan. Having duly examined and considered this Amendment No. 3, City finds and declares that this Amendment No. 3 is consistent with the General Plan and the Specific Plan, as amended by the Toll Project Entitlements.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants, promises, and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and agreed, the parties hereto do hereby agree to amend the Restated Development Agreement as follows:

1. **Amendment of Restated Development Agreement.** The definition of "Entitlements" in Recital H is hereby amended as follows:

a. **Recital H – Entitlements.** The term "Entitlements" set forth in Recital H of the Restated Development Agreement is hereby revised to include the Toll Project Entitlements for the Toll Project Property and the Ancillary Land Use Changes for the Other Affected Property approved by the City Council by Resolution [_____]. In consideration thereof, and in accordance with the provisions of Section 1.5.3 of the Restated Development Agreement, Landowner hereby reaffirms its agreement to abide by the provisions of this Restated Development Agreement, as modified hereby, including the conditions of approval and mitigation measures related to the development of the Toll Project within the Toll Project Property (the "Toll Project Conditions"), as imposed by the City as part of its approval of the Toll Project Entitlements, and any conditions of approval and/or mitigation measures related to the development of the Other Affected Property, as imposed by the City as part of its approval of the Ancillary Land Use Changes.

b. **4.2.2.1 – Landowner Park Land Credits.** The following paragraph is hereby added to Section 4.2.2.1 of the Restated Development Agreement, as amended by Amendment No. 1 thereto, as follows:

"As part of the Toll Project Entitlements and Ancillary Land Use Changes, 10 acres of neighborhood park property previously planned within the Toll Project Property are being relocated to other parcels within the Plan Area, consisting of an 8-acre expansion of a local park site planned for Parcel 20B, which will change that park from a local to a neighborhood park, and a 2-acre expansion of a local park site planned for Parcel 66, as more particularly shown on **Exhibit 4.2.2.1** attached hereto (collectively, the "Relocated/Expanded Park Sites"). Landowner and City acknowledge and agree that, notwithstanding such relocation and expansion, the park dedication fee credits under the SPIF associated with the dedication of the Relocated/Expanded Park Sites are intended to and shall continue to accrue to the benefit of the Toll Project and be used solely to provide park dedication fee credits in connection with development of the Toll Project Property. Landowner and Toll, together with the owners of the Relocated/Expanded Park Sites, shall work with the City to enter into a park dedication fee credit agreement in the form required by the SPIF Fee Program (the "Park Dedication Fee Credit Agreement"), to document the allocation to Toll solely for development of the Toll Project of the 10-acres of park fee credits associated with the dedication of the Relocated/Expanded Park Sites. The City agrees not to enter into any Park Dedication Fee Credit Agreement related to the dedication of the Relocated/Expanded Park Sites unless such Agreement expressly provides that the 10-acres of park land fee credits associated with the planned dedications of the 8 acres of expanded park land for Parcel 20B and the 2 acres of expanded park

land for Parcel 66 belong solely to Toll for development of the Toll Project.”

2. **Effect of Amendment.** This Amendment No. 3 amends, but does not replace or supersede, the Restated Development Agreement. In the event of any conflict, the language of this Amendment No. 3 shall be controlling in all events or circumstances. Except as modified hereby, all other terms and provisions of the Restated Development Agreement shall remain in full force and effect.

3. **Automatic Assumption of Toll Project Entitlements/Conditions Upon Conveyance of Toll Project Property to Toll.** Upon conveyance of the Toll Project Property described in **Exhibit A** hereto by grant deed from Landowner to Toll, in consideration of Toll signing as party to this Amendment No. 3 and agreeing to the terms hereof, Toll shall automatically assume all rights, title, interest, burdens and obligations of “Landowner” under the Restated Development Agreement, as amended hereby, with respect to development of the Toll Project Property accruing on or after the conveyance of the Toll Project Property to Toll. Toll shall thereby automatically assume and be solely responsible for complying with and satisfying all conditions of approval and mitigation measures related to the development of the Toll Project Property consistent with the Toll Project Entitlements and the terms of the Restated Development Agreement, as amended hereby, including without limitation, the Toll Project Conditions related thereto as applied to the Toll Project Property, which accrue on or after the conveyance of the Toll Project Property to Toll. Furthermore, upon such conveyance, Folsom Real Estate South, LLC, as Landowner, shall be released from any burdens or obligations to comply with any of the provisions of the Restated Development Agreement, as amended hereby, related to the development of the Toll Project Property, including without limitation the Toll Project Conditions related thereto which accrue on or after the conveyance of the Toll Project Property to Toll. Folsom Real Estate South, LLC, shall retain all rights, title, interest, burdens and obligations under the Restated Development Agreement, as amended hereby, with respect to the remainder of the Property, including the changes in land uses associated with the Ancillary Land Use Approvals for the Other Affected Property therein. Landowner acknowledges that, until the Toll Project Property is conveyed to Toll, Landowner shall be solely obligated to comply with the terms and conditions of the Toll Project Entitlements, including the Toll Project Conditions related thereto, in connection with any development of the Toll Project Property.

Upon the conveyance of the Toll Project Property from Landowner to Toll, Landowner shall provide written notice thereof to the City, together with a conformed copy of the grant deed related thereto. Upon receipt of such notice, for purposes of Section 7.5 of the Restated Agreement, the Notice Address for Landowner with respect to the Toll Project Property shall be as follows:

Toll West Coast LLC
c/o Toll Brothers
2330 E. Bidwell Street
Folsom, CA 95630
Attn: Greg Van Dam, P.E.
Director of Land Development
Email: gvandam@tollbrothers.com

4. **Form of Amendment; Execution in Counterparts.** This Amendment No. 3 is executed in duplicate originals, each of which is deemed to be an original, and may be executed in counterparts.

IN WITNESS WHEREOF, the City of Folsom has authorized the execution of this Restated Agreement in duplicate by its Mayor, and attested to by the City Clerk under the authority of Ordinance No. _____ adopted by the City Council on the _____ day of _____, 2020.

CITY:

**CITY OF FOLSOM,
a municipal corporation**

Sarah Aquino, Mayor

APPROVED AS TO CONTENT:

Elaine Andersen, City Manager

APPROVED AS TO FORM:

Steven Wang, City Attorney

ATTEST:

Christa Freemantle, City Clerk

LANDOWNER:

**FOLSOM REAL ESTATE SOUTH, LLC
a Delaware Limited Liability Company**

By: HBT Mangini, LLC
a Delaware Limited Liability Company
Its Managing Member

By: _____
William B. Bunce
Its: Manager

TOLL:

**TOLL WEST COAST LLC,
a Delaware Limited Liability Company**

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of _____
County of _____

On _____, 2020, before me, _____
(Here insert Name and Title of Officer)

personally appeared _____,
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

NOTARY PUBLIC SIGNATURE

NOTARY PUBLIC SEAL

7964.1B
10/18/2019
PFF

EXHIBIT "A"
DESCRIPTION OF THE LANDS OF
FOLSOM REAL ESTATE SOUTH LLC

All that real property situated in the City of Folsom, County of Sacramento, State of California located within Sections 17 and 20, Township 9 North, Range 8 East, Mount Diablo Meridian, being a portion of the Lands of Folsom Real Estate South, LLC, a Delaware limited liability company being further described as follows:

Parcel 2A as shown and so designated on that certain Parcel Map filed for record June 3, 2019 in Book 236 of Parcel Maps at Page 10, Sacramento County Records, and

Parcel 4 as shown and so designated on that certain Parcel Map filed for record October 11, 2012 in Book 218 of Parcel Maps, at Page 17, Sacramento County Records, and

All that land as described in that certain Quit Claim Deed recorded October 11, 2019 as Document No. 201910110556, Official Records of Sacramento County.

Containing 195.97 acres of land, more or less.

See Exhibit "A-1", plat to accompany description, attached hereto and made a part hereof.

This legal description was prepared by me or under my supervision pursuant to Section 8729 (2) of the Professional Land Surveyors Act.

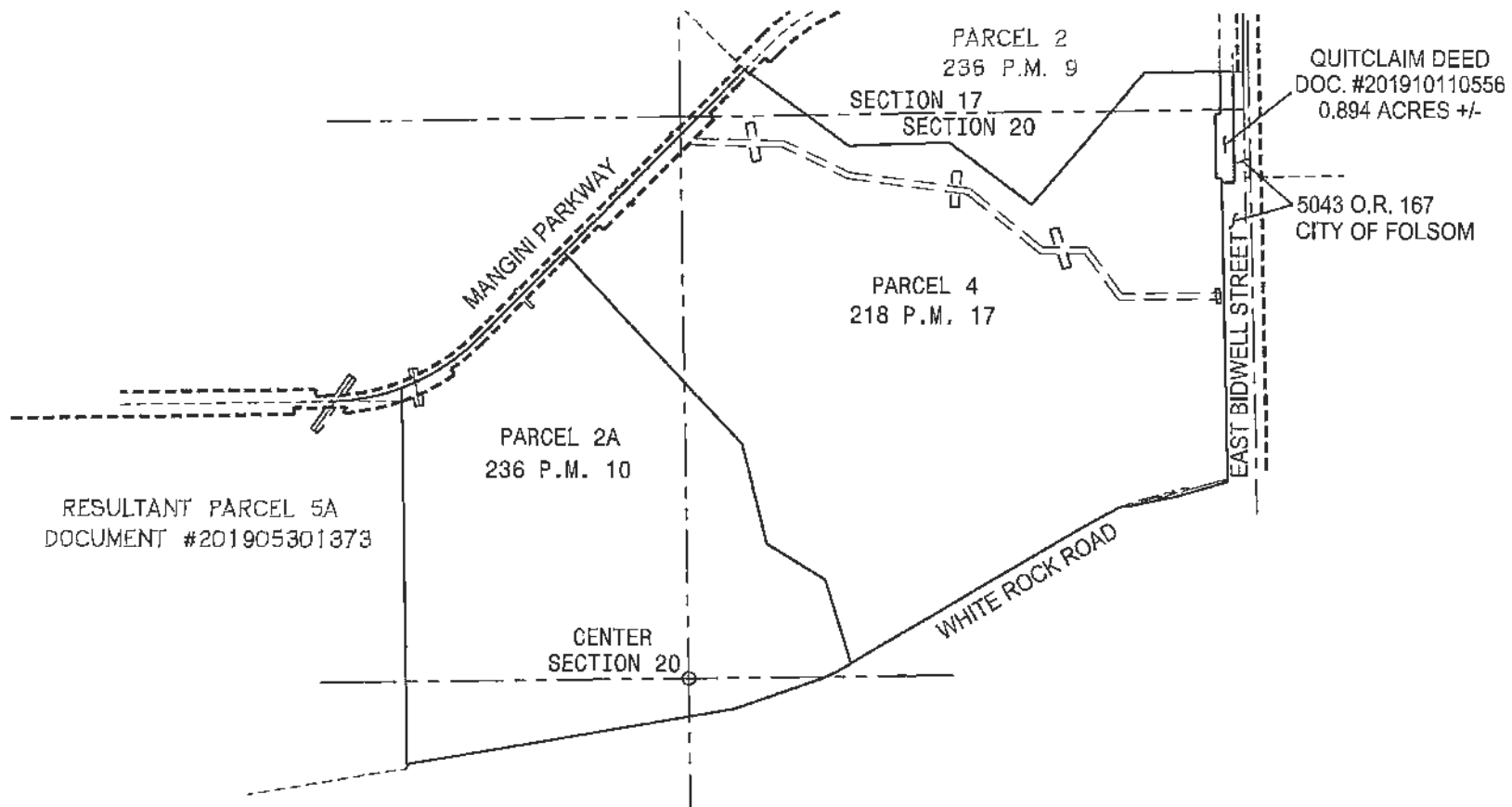


Robert M. Plank, PLS 5760
License Expiration Date: 06-30-2020



Date: 12/11/19

Description prepared by:
MACKAY & SOMPS CIVIL ENGINEERS, INC.
1025 Creekside Ridge Drive, Suite 150, Roseville, CA 95678
P:\7964\survey-MS\mapping\desc\MANGINI RANCH WEST\toll bros\FRES Composite Parcels.docx



SHEET 1 OF 1

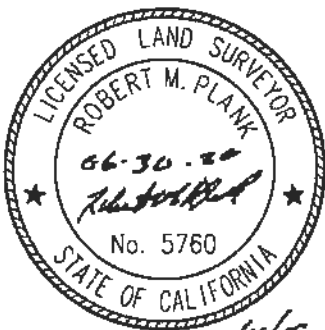


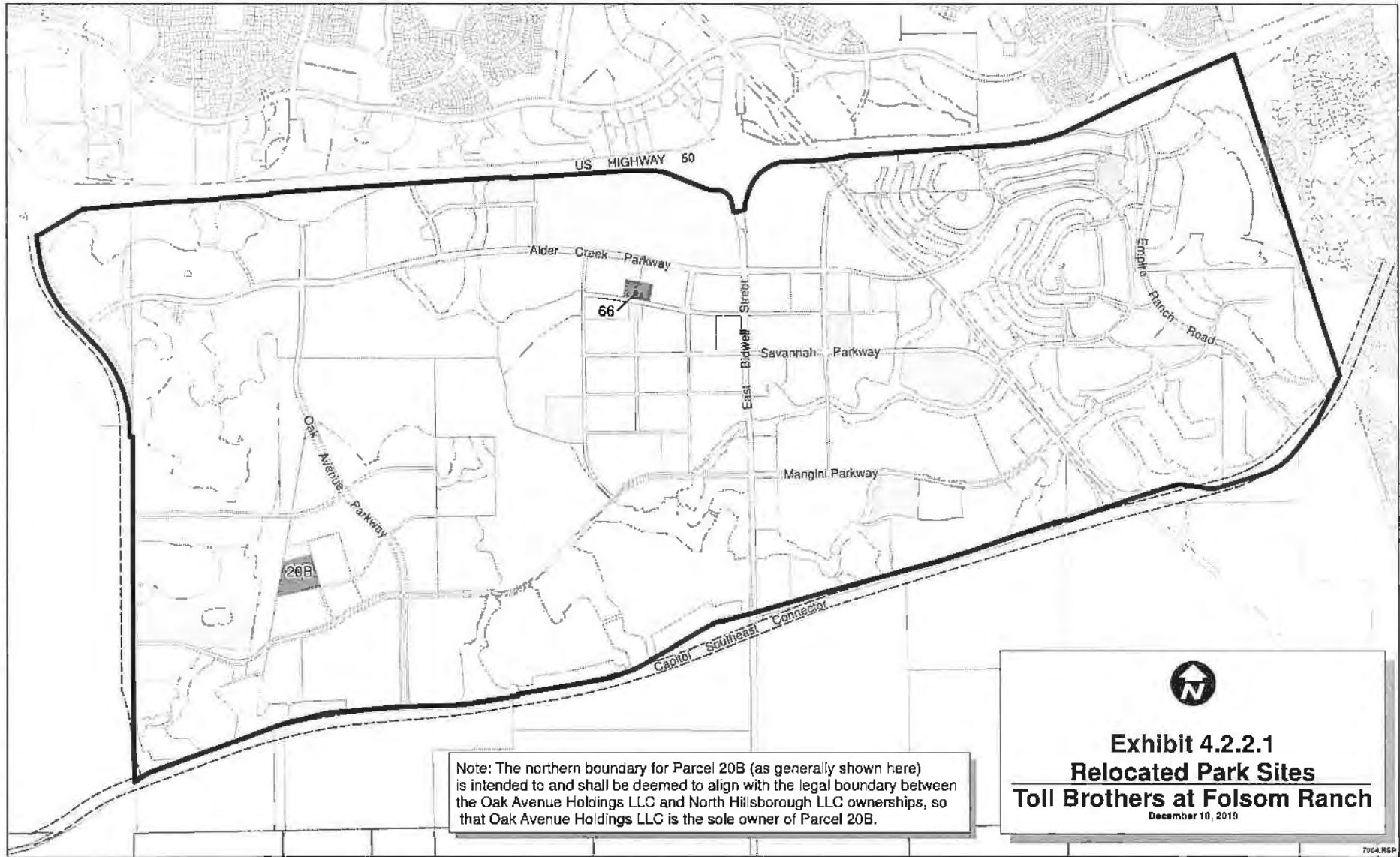
EXHIBIT "A-1"
 LANDS OF FOLSOM REAL ESTATE SOUTH
 MANGINI WEST
 PORTION OF SECTIONS 17 & 20, T. 9 N., R. 8X E., M.D.M.
 CITY OF FOLSOM
 COUNTY OF SACRAMENTO STATE OF CALIFORNIA

MACKAY & SOMPS
 ENGINEERS PLANNERS SURVEYORS


1025 Creekside Ridge Drive, Suite 150, Roseville, CA 95678 (916) 773-1189

RMP	1" = 600'	12/11/2019	7964, RSP, TB1
DRAWN BY	SCALE	DATE	JOB NO.

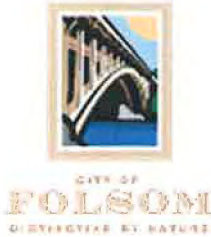
IF A DISCREPANCY EXISTS BETWEEN THIS EXHIBIT AND THE ASSOCIATED DESCRIPTION, THE DESCRIPTION HOLDS. THIS EXHIBIT IS FOR GRAPHIC PURPOSES ONLY.



Note: The northern boundary for Parcel 20B (as generally shown here) is intended to and shall be deemed to align with the legal boundary between the Oak Avenue Holdings LLC and North Hillsborough LLC ownerships, so that Oak Avenue Holdings LLC is the sole owner of Parcel 20B.


Exhibit 4.2.2.1
Relocated Park Sites
Toll Brothers at Folsom Ranch
 December 10, 2019

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Folsom City Council Staff Report

MEETING DATE:	4/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10402 - A Resolution Authorizing the City Manager to Execute a Construction Agreement with VSS International, Inc. for the Pavement Resurfacing Fiscal Year 2019-20 Project and Appropriation of Funds
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 10402 - A Resolution Authorizing the City Manager to Execute a Construction Agreement with VSS International, Inc. for the Pavement Resurfacing Project Fiscal Year 2019-20 Project and Appropriation of Funds.

BACKGROUND / ISSUE

As part of the City of Folsom Pavement Management Program, the Public Works Department budget includes funding for the repair, resurfacing, and maintenance of various roadways in the City.

The pavement condition for the City’s entire inventory of roadways, bike paths, and parking lots was inspected in 2019 and rated according to industry standards. The result of this inspection was compiled into StreetSaver, a pavement management software program that Staff uses to identify preventative maintenance treatments and was utilized in determining the scope of this project.

The resurfacing method for this project will be a rubberized cape seal, which is a two-part process that consists first of the application of a rubberized asphalt binder with embedment of 3/8” pre-coated aggregate into the binder. A few days later a black rock micro-surface will be applied to the roadway.

The City has previously performed this type of resurfacing on two smaller scale test sections with favorable results in preserving the pavement. Cape seals are regularly used by other local agencies as well as the California Department of Transportation.

The roadways scheduled to receive a rubberized cape seal are shown on Attachment 2 – Project Map.

Prior to the start of construction, all property owners on the affected streets will be notified of the proposed work and schedule. Detailed maps will be provided to notify of parking/driving restrictions and project schedule. The crack filling portion of the project is expected to occur in May 2020 and the rubberized cape seal work is expected to occur in June and be completed by the end of July 2020.

POLICY / RULE

Section 2.36.080, Award of Contracts of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services and construction with an estimated value of \$62,014 or greater shall be awarded by City Council.

ANALYSIS

Public Works staff prepared the bid package, and the project was publicly advertised on February 12, 2020. On March 5, 2020, the Public Works Department received the following bids:

1. VSS International	\$ 1,022,000
2. American Pavement Systems	\$ 1,127,950
3. Pavement Coatings Co.	\$ 1,150,000
4. Central Valley Engineering & Asphalt	\$ 1,212,775
5. Sierra Nevada Construction	\$ 1,294,007
6. B&M Builders	\$ 1,592,660

The Engineer’s Estimate for this project was \$1,025,000. The Public Works Department has found the bids to be in order and recommends that the contract be awarded to the low-bidder, VSS International, Inc. Staff will use the City’s standard agreement in a form acceptable to the City Attorney.

FINANCIAL IMPACT

The contract with VSS International, Inc. would be authorized for \$1,022,000 with the project budgeted for a total of \$1,124,200 which will include a ten percent contingency amount of \$102,200 for potential change orders.

Funds in the amount of \$939,191 are budgeted and available in the Street Overlay/Pavement Management Project No. 8017. Due to an increase in the scope of the project, an additional appropriation from Gas Tax (Fund 243) in the amount of \$185,009 is needed to fully fund the project. Sufficient funds are available in the Gas Tax Fund for this appropriation.

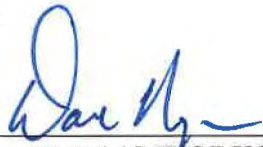
ENVIRONMENTAL REVIEW

This project has been deemed categorically exempt from environmental review.

ATTACHMENTS

1. Resolution No. 10402 - A Resolution Authorizing the City Manager to Execute a Construction Agreement with VSS International, Inc. for the Pavement Resurfacing Fiscal Year 2019-20 Project and Appropriation of Funds.
2. Project Map

Submitted,



Dave Nugen, PUBLIC WORKS DIRECTOR

Attachment 1
Resolution No. 10402

RESOLUTION NO. 10402

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION AGREEMENT WITH VSS INTERNATIONAL, INC. FOR THE PAVEMENT RESURFACING FISCAL YEAR 2019-20 PROJECT

WHEREAS, the City of Folsom desires to crack fill and resurface various roadways throughout the City in conformance with the Pavement Management Plan; and

WHEREAS, this Project was publicly advertised, and the bids were received on March 5, 2020 with VSS International, Inc. being the lowest responsible bidder; and

WHEREAS, funds in the amount of \$939,191 are budgeted and available in Street Overlay – Pavement Management Project No. 8017, for Fiscal Year 2019-20; and

WHEREAS, an additional appropriation will be required in the amount of \$185,009 from the Gas Tax Fund (Fund 243); and

WHEREAS, the agreement will be in a form acceptable to the City Attorney: (as applicable to contracts)

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute a construction agreement with VSS International, Inc. for the Pavement Resurfacing Fiscal Year 2019-20 Project in the amount of \$1,022,000, with the budgeted amount to include a ten percent contingency for a total not-to-exceed amount of \$1,124,200; and,

BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate \$185,009 from the Gas Tax Fund (Fund 243) for the Street Overlay-Pavement Management Project No. 8017 for a total project budget of \$1,124,200 for the FY 20 project.

PASSED AND ADOPTED this 14th day of April 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

Attachment 2
Project Map

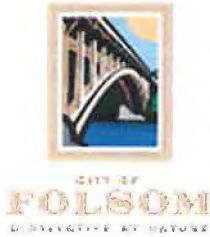
PAVEMENT RESURFACING
FY 2019-2020

04/14/2020; Item No. 8.



FOUR STAR CONSULTING, INC. 1000 S. GARDEN AVENUE, SUITE 100, DENVER, CO 80202

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Folsom City Council Staff Report

MEETING DATE:	4/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10403 – A Resolution Authorizing the City Manager to Execute an Agreement for the Purchase, Diversion and Processing of Commercial Recyclable Materials with Recycling Industries, Inc. and Appropriation of Funds
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

Public Works staff recommend that the City Council adopt Resolution No. 10403 – A Resolution Authorizing the City Manager to Execute an Agreement for the Purchase, Diversion and Processing of Commercial Recyclable Materials with Recycling Industries, Inc. and Appropriation of Funds.

BACKGROUND / ISSUE

The Public Works Department, Solid Waste/Recycling Division (Division) currently implements a recycling program for the collection, processing and marketing of commercial recyclable materials produced by the businesses and multifamily complexes in the City of Folsom. This program is designed to meet the mandates of California’s Mandatory Commercial Recycling Law (Assembly Bill 341), since its inception in 2012, as well as the Integrated Waste Management Act of 1989 (Assembly Bill 939). To accomplish this, the Division executed an agreement with WestRock CP, LLC (WestRock) in October 2015 to purchase, divert and process cardboard and mixed recyclable materials. The agreement was scheduled to expire in October 2020. However, on December 3, 2019 WestRock gave the City notice that they were going to terminate the agreement on March 1, 2020. On that same day, WestRock stopped accepting the City’s commercial material at their Sacramento facility. In

order to remain in compliance with the agreement, WestRock made arrangements for a local recycler, Ming's Recycling, to accept our materials until the Division could procure another vendor.

POLICY / RULE

California Government Code sections 37350 and 37351 provide that the City may dispose of personal property as it chooses for the common benefit.

ANALYSIS

On December 20, 2019 the Division released Request for Proposals SW 19/20-001 (RFP) for the purchase, diversion and processing of the City's commercial recyclable materials. Six RFP's were requested by and provided to local recyclers. Two amendments to the RFP were issued to all those that requested the RFP. Two proposals were received by the submittal deadline on January 10, 2020. One proposal was from Cal Waste Recovery Systems (the City's current processor of residential recycling) and one proposal was from Recycling Industries, Inc.

The Division convened a committee to review and score the proposals based on criteria identified in the RFP. Proposals were ranked on the following weighted scoring criteria: operating experience (10%), facility/permitting requirements (10%), proximity to processing or transfer facility to the City's centroid (10%), pricing proposed processing fee and percent revenue to City (50%), and other factors (exceptions to contract terms, proposal conditions and references 20%). The proposals were reviewed and scored accordingly with a total possible score of 900 points. Based on the results, Recycling Industries is being recommended for selection.

FINANCIAL IMPACT

Like the City's residential recycling processing contract, this processing contract will significantly increase the cost to the City to manage its commercial recycling stream. In the past, the revenue generated from the sale of the recycled materials had exceeded the expenses associated with the contract for the processing of the material. Declines in the value of the recycling commodities sold, coupled with increased processing costs in order to reduce contamination have completely eliminated all revenue previously received for the City's recyclables.

Based on historic levels of the City's commercial recycling stream, the expenses for this program were approximately \$100,000 while the revenue generated was approximately \$300,000. This resulted in an annual net revenue of approximately \$200,000. Based on the current market value of the material, the projected annual revenue will be approximately \$230,000 and the expenses will be approximately \$290,000 resulting in a net cost of approximately \$60,000. Therefore, expenses related to this contract will require an additional appropriation of \$72,500 in the Solid Waste Fund (Fund 540) for the remainder of FY 2019-

2020. For the additional expense and additional revenue of \$57,500 with the remainder to be appropriated to fund balance.

ENVIRONMENTAL REVIEW

This Project is exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3) (Review for Exemption) of the CEQA Guidelines.

ATTACHMENTS

Public Works staff recommends that the City Council adopt Resolution No. 10403 – A Resolution Authorizing the City Manager to Execute an Agreement for the Purchase, Diversion and Processing of Commercial Recyclable Materials with Recycling Industries, Inc. and Appropriation of Funds.

Submitted,



Dave Nugen, Public Works Director

RESOLUTION NO. 10403

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOR THE PURCHASE, DIVERSION AND PROCESSING OF COMMERCIAL RECYCLABLE MATERIALS WITH RECYCLING INDUSTRIES, INC. AND APPROPRIATION OF FUNDS

WHEREAS, the City is striving to meet the requirements defined under AB 939 (1989) and the City's Solid Waste Management Plan which set forth the need to divert the City's recyclable materials from the landfills; and

WHEREAS, the City of Folsom is also required to comply with the requirements of the Mandatory Commercial Recycling law, AB 341 and provide recycling services to its businesses and multifamily complexes; and

WHEREAS, the City of Folsom seeks to maintain established solid waste and recycling programs to protect the community and environment; and

WHEREAS, the City of Folsom seeks to establish cost-effective and efficient solid waste and recycling programs; and

WHEREAS, California Government Code sections 37350 and 37351 provide that the City may dispose of personal property (recyclable materials) as it chooses for the common benefit; and

WHEREAS, the City conducted competitive bidding for the purchase, diversion and processing of its commercial recyclable materials stream; and

WHEREAS, Request for Proposals SW 19/20-001 was issued on December 20, 2019 and the City received proposals from Cal Waste Recovery Systems, LLC and Recycling Industries, Inc.; and

WHEREAS, the proposals were scored by qualified staff and Recycling Industries received the highest score on its proposal; and

WHEREAS, the additional expense for the remainder of fiscal year 2019-20 will be \$72,500, which will require an additional appropriation in the Solid Waste Operation Fund (Fund 540):

WHEREAS, the agreement will be in a form acceptable to the City Attorney; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute an agreement for the purchase, diversion, and processing of commercial recyclable materials with Recycling Industries, Inc.; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate an additional expense in the amount of \$72,500 and revenue in the amount of \$57,500 with the remaining \$15,000 appropriation from fund balance in the Solid Waste Operating Fund (Fund 520).

PASSED AND ADOPTED this 14th day of April, 2020, by the following roll-call vote:

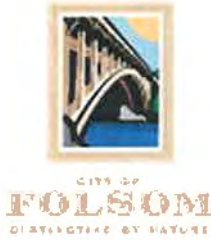
- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

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Folsom City Council Staff Report

MEETING DATE:	4/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10404 – A Resolution Authorizing the City Manager to Execute a Subdivision Improvement Agreement and Accept Offers of Dedication for the Enclave at Folsom Ranch Subdivision, and Approval of the Final Map for the Enclave at Folsom Ranch Subdivision
FROM:	Community Development Department

RECOMMENDATION / CITY COUNCIL ACTION

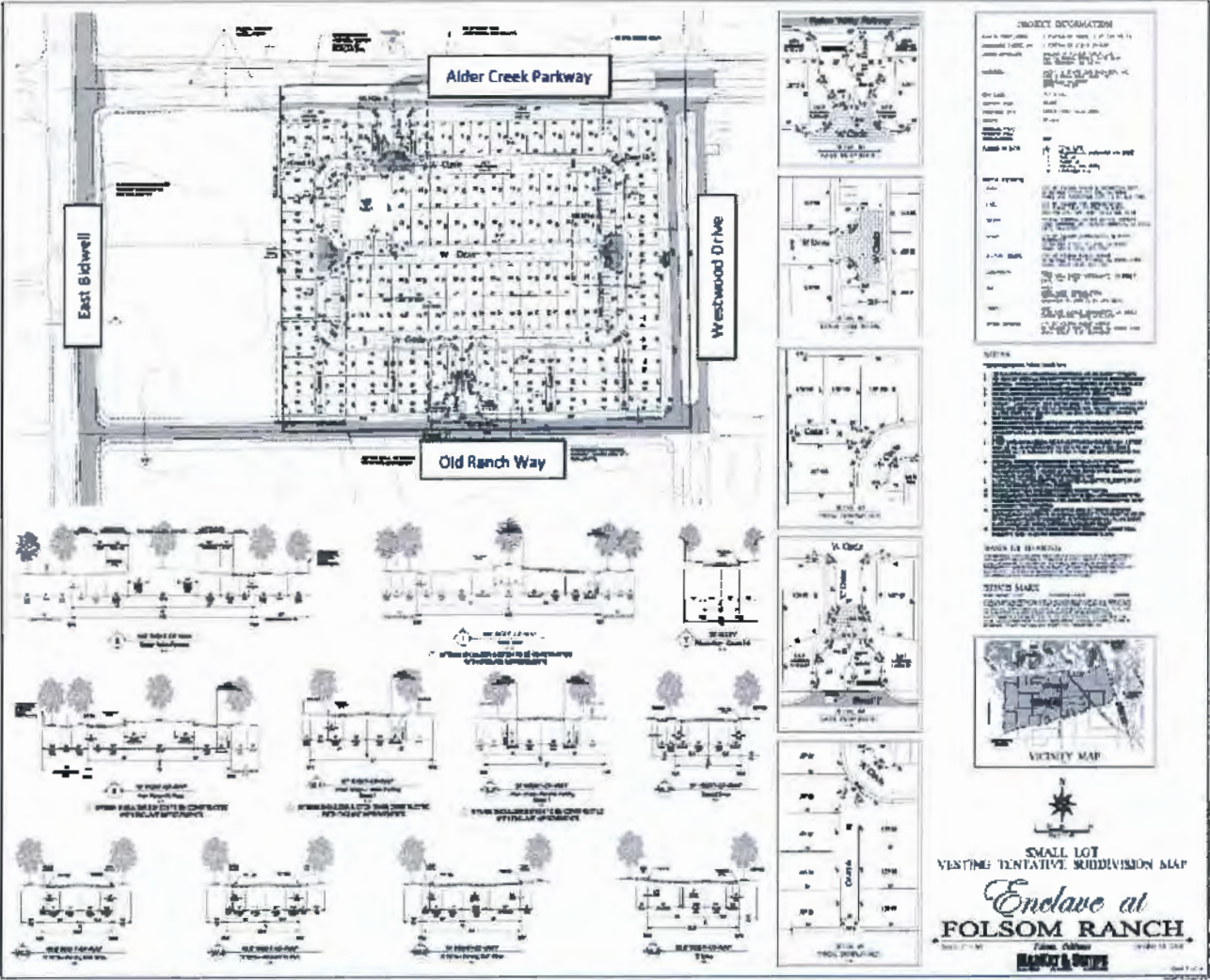
Staff recommends that the City Council move to adopt:

Resolution No. 10404 – A Resolution Authorizing the City Manager to Execute a Subdivision Improvement Agreement and Accept Offers of Dedication for the Enclave at Folsom Ranch Subdivision, and Approval of the Final Map for the Enclave at Folsom Ranch Subdivision

BACKGROUND / ISSUE

The Vesting Tentative Subdivision Map (VTSM) for the Enclave at Folsom Ranch subdivision was originally approved by the City Council on November 8, 2016. On June 13, 2017, the City Council approved a two-year extension for the VTSM extending the VTSM to November 8, 2020.

The action for consideration by the City Council is the approval of the Final Map and Subdivision Improvement Agreement for the Enclave at Folsom Ranch subdivision. The Final Map for the Enclave at Folsom Ranch Phase subdivision will create a total of 111 multi-family low density (MLD) residential lots. With the approval of the Final Map, the subdivision process for this project will be complete.



The Enclave at Folsom Ranch subdivision is located on the south side of Alder Creek Parkway east of East Bidwell Street and north of the future Mangini Ranch Phase 2 subdivision in the Folsom Plan Area (FPA) (see Page 2).

POLICY / RULE

The Subdivision Map Act of the State of California and the City’s Subdivision Ordinance require that the City Council approve Final Maps and Subdivision Improvement Agreements.

ANALYSIS

The Final Map and conditions of approval for the Enclave at Folsom Ranch subdivision have been reviewed by the Community Development Department and other City departments. The

Final Map has been found to be in substantial compliance with the approved Vesting Tentative Subdivision Map, and all conditions pertaining to the map have been satisfied.

Attached is a table which includes the conditions of approval for the Enclave at Folsom Ranch Vesting Tentative Subdivision Map. The tables include information concerning when the condition is required to be satisfied (e.g. at Final Map, building permit, etc.), which City department is responsible to verify that it has been satisfied, and comments or an explanation on how the condition was satisfied. This subdivision is consistent with the Folsom Plan Area Specific Plan (FPASP) in regards to zoning and unit count.

ENVIRONMENTAL REVIEW

The City, as lead agency, determined that the Enclave at Folsom Ranch development proposal is entirely consistent with the Folsom Plan Area Specific Plan (FPASP) and Westland Eagle Specific Plan Amendment. As a project that is consistent with existing plans and zoning and which would not result in any new or more severe environmental effects that are peculiar to the project or the parcels or which were not previously analyzed as significant effects in the FPASP EIR/EIS and/or the Addendum for the Westland Eagle Specific Plan Amendment, the Enclave at Folsom Ranch development is eligible for the exemption from review under the California Environmental Quality Act (CEQA) provided by Government Code section 65457 and CEQA Guidelines sections 15182. No further environmental review is required for this Final Map.

ATTACHMENTS

1. Resolution No. 10404 - A Resolution Authorizing the City Manager to Execute a Subdivision Improvement Agreement and Accept Offers of Dedication for the Enclave at Folsom Ranch Subdivision, and Approval of the Final Map for the Enclave at Folsom Ranch Subdivision
2. Enclave at Folsom Ranch Subdivision Improvement Agreement
3. Enclave at Folsom Ranch Final Map
4. Enclave at Folsom Ranch Vesting Tentative Subdivision Map
5. Table of Conditions of Approval for the Enclave at Folsom Ranch Vesting Tentative Subdivision Map

Submitted,



PAM JOHNS
Community Development Director

ATTACHMENT 1
RESOLUTION

RESOLUTION NO. 10404

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A SUBDIVISION IMPROVEMENT AGREEMENT AND ACCEPT OFFERS OF DEDICATION FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION, AND APPROVAL OF THE FINAL MAP FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION

WHEREAS, the Final Map for the Enclave at Folsom Ranch subdivision has been reviewed and approved by the City Engineer as complying with the approved or conditionally approved Vesting Tentative Subdivision Map for the subdivision; and

WHEREAS, the City Council has reviewed the Final Map for the Enclave at Folsom Ranch subdivision; and

WHEREAS, the City Council agrees to accept, subject to improvement, any and all offers of dedication as shown on the Final Map for the Enclave at Folsom Ranch subdivision.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom that the Final Map for the Enclave at Folsom Ranch subdivision is hereby approved.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to execute the Subdivision Improvement Agreement with KB Home Sacramento, Inc. in a form acceptable to the City Attorney and accept the offers of dedication for the Enclave at Folsom Ranch subdivision.

PASSED AND ADOPTED this 14th day of April 2020, by the following roll-call vote:

AYES: Council Member(s)

NOES: Council Member(s)

ABSENT: Council Member(s)

ABSTAIN: Council Member(s)

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

ATTACHMENT 2
SUBDIVISION IMPROVEMENT AGREEMENT

No Fee Document Pursuant to Government Code Section 6103.

RECORDING REQUESTED BY:

City of Folsom

WHEN RECORDED MAIL TO:

NAME City of Folsom
City Clerk
MAILING ADDRESS 50 Natoma Street
CITY, STATE, ZIP CODE Folsom, CA 95630

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

CITY OF FOLSOM

SUBDIVISION IMPROVEMENT AGREEMENT

This Agreement is made and entered into this _____ day of _____, 2020, by and between the City of Folsom, hereinafter referred to as "City", and KB Home Sacramento, Inc., a California Corporation hereinafter referred to as "Subdivider".

RECITALS

- A. Subdivider has presented to the City a certain Final Map of a proposed subdivision of land located within the corporate limits of the City that has been prepared in accordance with the Subdivision Map Act of the State of California, the subdivision ordinances of the City, and the Tentative Subdivision Map, if any, of the subdivision previously approved by the City Council of the City.
- B. The proposed subdivision of land is commonly known and described as Enclave at Folsom Ranch and is herein referred to as the "subdivision". Subdivision further described at Enclave at Folsom Ranch Final Map recorded in Book ___ of Maps at Page ___ in the official records of Sacramento County.
- C. Subdivider has requested approval of the Final Map prior to the construction and completion of the public improvements (as shown on the approved improvement plans and listed in Exhibit A), including, but not limited to streets, highways, public ways, sidewalks, curbs, gutters, bikeways, storm drainage facilities, sanitary sewer facilities, domestic water facilities, public utility facilities, landscaping, public lighting facilities, park or recreational improvements and appurtenances thereto, in or required by the Subdivision Map Act, the subdivision ordinances of the City, the Tentative Subdivision Map and development agreement, if any, approved by the City. The foregoing improvements, more specifically listed on Exhibit A attached hereto, are hereinafter referred to as "the required improvements".

D. City Council has required as a condition precedent to the approval of the Final Map, the Subdivider first enters into and executes this subdivision improvement agreement with the City.

NOW, THEREFORE, the parties agree as follows:

1. Performance of Work. Subdivider agrees to furnish, construct, and install at his own expense the required improvements as shown on the approved plans and specifications of the subdivision, a copy of which is on file in the Community Development Department, and is incorporated herein by reference, along with any changes or modifications as may be required by the City Engineer due to errors, omissions, changes in conditions, or changes in facilities as required by the City Engineer. The approved plans and specifications of the required improvements may be modified by the Subdivider as the development progresses, provided that any modification is approved in writing by the City Engineer. The total estimated cost of the required improvements, as shown on Exhibit A, is **TWO MILLION THREE HUNDRED SEVENTY FOUR THOUSAND THREE HUNDRED SEVENTY FOUR AND 03/100 DOLLARS (\$2,374,374.03)**.
2. Work: Satisfaction of City Engineer. All of the work on the required improvements is to be done at the places, of the materials, and in the manner and at the grades, all as shown upon the approved plans and specifications and as required by the City's Improvement Standards and Standard Construction Specifications and any applicable City ordinances or state and federal laws, and to the satisfaction of the City Engineer.
3. Work: Time for Commencement and Performance. Work on the required improvements shall be completed by the Subdivider on or before twelve (12) months from the date of this Agreement. At least fifteen (15) calendar days prior to the commencement of such work, the Subdivider shall notify the City Engineer in writing of the date fixed by Subdivider for commencement of the work.
4. Time of Essence; Extension.
 - a. Time is of the essence of this Agreement. The date for completion of the work of construction may not be extended, except as provided in Section 16.36.110 of the Folsom Municipal Code.
5. Improvement Security. Concurrently with the execution of this Agreement, the Subdivider shall furnish the City:
 - a. Improvement security in the sum **TWO MILLION THREE HUNDRED SEVENTY FOUR THOUSAND THREE HUNDRED SEVENTY FOUR AND 03/100 DOLLARS (\$2,374,374.03)**, which sum is equal to one hundred percent of the total estimated cost of constructing the required improvements and the cost of any other obligation to be performed by Subdivider under this Agreement, conditioned upon the faithful performance of this Agreement; and

- b. Separate improvement security in the sum of **TWO MILLION THREE HUNDRED SEVENTY FOUR THOUSAND THREE HUNDRED SEVENTY FOUR AND 03/100 DOLLARS (\$2,374,374.03)**, which sum is equal to one hundred percent of the estimated cost of constructing the required improvements, securing payment to the contractor, subcontractor and to persons furnishing labor, materials, or equipment to them for the construction of the required improvements.
 - c. The Subdivider shall deposit with the City **THREE THOUSAND AND NO/100 DOLLARS (\$3,000.00)** for the Final Map. The deposit may be used at the discretion of the City to correct deficiencies and conditions caused by the Subdivider, contractor, or subcontractors that may arise during or after the construction of the subdivision.
 - d. The estimated total cost of required improvements includes a ten percent (10%) construction cost contingency, the cost of the installation of survey monuments in the Subdivision to guarantee and secure the placement of such monuments as provided by Section 66496 of the Government Code of the State of California, and an estimated utility cost in addition to ensure installation of public utilities. In lieu of providing the estimate of total utility costs, the Subdivider may submit, in a form acceptable to the City Engineer, certification from the utility companies that adequate security has been deposited to ensure installation.
6. Plan Checking and Inspection Fees. The Subdivider shall pay to the City fees for the checking, filing, and processing of improvement plans and specifications, and for inspecting the construction of the required improvements in the amounts and at the times established by the City.
7. Indemnification and Hold Harmless. The Subdivider shall indemnify, protect, defend, save and hold the City harmless from any and all claims or causes of action for death or injury to persons, or damage to property resulting from intentional or negligent acts, errors, or omissions of Subdivider or Subdivider's officers, employees, volunteers, and agents during performance of this Agreement, or in connection with Subdivider's work, or from any violation of any federal, state, or municipal law or ordinance, to the extent caused, in whole or in part, by the willful misconduct, negligent acts, or omissions of Subdivider or its employees, subcontractors, or agents, or by the quality or character of Subdivider's work. It is understood that the duty of Subdivider to indemnify and hold harmless includes the duty to defend as set forth in Section 2778 of the California Civil Code. Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Subdivider from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply and shall further survive the expiration or termination of this Agreement. By execution of this Agreement, Subdivider acknowledges and agrees to the provisions of this Section and that it is a material element of consideration. Subdivider shall, at his own cost and expense, defend any and all actions, suits, or legal proceedings that may be brought or instituted against the City, its officers and employees, on any such claim or demand, and pay or satisfy any judgement that may be

rendered against the City in any such actions, suits or legal proceedings, or result thereof.

8. Insurance. Subdivider and any contractors hired by Subdivider to perform any of the Required Improvements shall, at their expense, maintain in effect for the duration of this Agreement or until the required improvements are accepted by the City, whichever first occurs, not less than the following coverage and limits of insurance, which shall be maintained with insurers and under forms of policy satisfactory to the City. The maintenance by Subdivider and its contractors of the following coverage and limits of insurance is a material element of this Agreement. The failure of Subdivider or any of its contractors to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of this Agreement.
 - a. Minimum Limits of Insurance. Subdivider shall maintain limits not less than:
 1. Comprehensive General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.
 2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury, personal injury and property damage.
 3. Worker's Compensation and Employers Liability: Worker's Compensation limits as required by the Labor Code of the State of California and Employers Liability limits of \$1,000,000 per accident.
 - b. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions shall be declared to and approved by the City. At the option of the City, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects to a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
 - c. Other Insurance Provisions. The policies are to contain, or be endorsed to contain, the following provisions:
 1. General Liability and Automobile Liability Coverages
 - A. The City, its officers, officials, employees and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of the Subdivider; products and completed operations of the Subdivider; premises owned, leased or used by the Subdivider; or automobiles owned, leased, hired or borrowed by the Subdivider. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, officials, employees or volunteers.

- B. The Subdivider's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance of self-insurance maintained by the City, its officials, employees or volunteers shall be excess of the Subdivider's insurance and shall not contribute with it.
 - C. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officers, officials, employees or volunteers.
 - D. The Subdivider's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- 2. **Worker's Compensation and Employers Liability Coverage.** The insurer shall agree to waive all rights or subrogation against the City, its officers, officials, employees and volunteers for losses arising from work performed by Subdivider for the City.
 - 3. **All Coverages.** Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided or cancelled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
- d. **Acceptability of Insurers.** Insurance is to be placed with insurers with a Best's rating of not less than A: VII.
 - e. **Verification of Coverage.** Concurrently with the execution of this Agreement, the Subdivider shall furnish the City with original endorsements affecting coverage required by this clause. The endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The City reserves the right to require complete, certified copies of all required insurance policies at any time.
- 9. **Title to Improvements.** Title to and ownership of the required public improvements constructed under this Agreement by Subdivider shall vest absolutely in the City upon completion and written acceptance of such improvements by the City Engineer. The City Engineer shall not accept the required improvements unless Subdivider certifies that such improvements have been constructed in conformity with the approved plans and specifications, approved modifications, if any, the approved Final Map, City Improvement Standards and Standard Construction Specifications, any applicable City Ordinances or State and Federal laws and after 35 days from the date of filing of a Notice of Completion.
 - 10. **Warranty Security.** Prior to acceptance of the required improvements by the City Engineer, the Subdivider shall provide security in the amount and in the form as required by the City Engineer to guarantee the improvements against any defective work or labor done or defective materials used in the performance of the required improvements (Warranty Security)

throughout the warranty security period which shall be the period of one year following completion and written acceptance of the improvements (Warranty Security Period). The amount of the Warranty Security shall not be less than 10 percent of the cost of the construction of the improvements, including the cash deposit required in paragraph 5C of this agreement, which shall be retained for the Warranty Security Period.

11. Repair or Reconstruction of Defective Work or Materials. If, within the Warranty Security Period or the applicable statute of limitations, whichever is longer, any improvement or part of any improvement furnished and/or installed or constructed by Subdivider or any of the work done under this Agreement fails to fulfill any of the requirements of the Agreement or the specifications referred to herein as determined by the City, Subdivider shall without delay and without any cost to the City, repair, replace, or reconstruct any defective or otherwise unsatisfactory part or parts of the required improvements. If the Subdivider fails to act promptly or in accordance with this requirement, or if the exigencies of the situation require repairs or replacements to be made before the Subdivider can be notified, then the City may, at its option, make the necessary repairs or replacements or perform the necessary work, and Subdivider shall pay to City the actual cost of such repairs plus fifteen percent (15%) within thirty (30) days of the date of billing for such work by City. The parties further understand and agree that the Warranty Security furnished pursuant to paragraph 10 of this Agreement shall guarantee and secure the faithful performance and payment of the provisions of this paragraph during the Warranty Security Period.
12. Subdivider Not Agent of City. Neither Subdivider nor any of Subdivider's agents or contractors are or shall be considered to be agents of City in connection with the performance of Subdivider's obligations under this Agreement.
13. Notice of Breach and Default. If Subdivider refuses or fails to prosecute the work, or any part thereof, with such diligence as will ensure its completion within the time specified, or any extension thereof, or fails to complete the work within such time, or if Subdivider should be adjudged a bankruptcy, or Subdivider should make a general assignment for the benefit of his creditors, or if a receiver should be appointed in the event of Subdivider's insolvency, or if Subdivider or any of Subdivider's contractors, subcontractors, agents or employees should violate any of the provisions of this Agreement and the City may, but is under no obligation to, serve written notice upon Subdivider and Subdivider's surety, if any, of breach of this Agreement, or of any portion thereof.
14. Breach of Agreement: Performance By Surety or City. In the event of any such notice, Subdivider's surety, if any, shall have the duty to take over and complete the work and the required improvements; provided, however, that if the surety within fifteen (15) days after the serving of such notice of breach upon it does not give the City written notice of its intention to take over the performance thereof within fifteen (15) days after notice to the City of such election, then the City may take over the work and prosecute the same to completion by contract, or by any other method the City may deem advisable, for the account and at the expense of the Subdivider, and the Subdivider's surety shall be liable to City for any excess costs of damages incurred by the City; and in such event, the City, without liability for so doing, may take possession of and utilize in completing the work, such materials, appliances, plant or other property belonging to Subdivider as may be on the site of the work and necessary therefor.

If the form of improvement security is other than a bond, then the City, after giving notice of breach of the Agreement, may proceed to collect against the improvement security in the manner provided by law and by the terms of the security instrument.

- 15. Notices. All notices required under this Agreement shall be in writing, and delivered in person or sent by registered or certified mail, postage prepaid.

Notices required to be given to City shall be addressed as follows:

**City of Folsom
Community Development Department
50 Natoma Street
Folsom, CA 95630
ATTN: City Engineer**

Notices required to be given to Subdivider shall be addressed as follows:

**KB Home of Sacramento, Inc.
3005 Douglas Blvd., Suite 250
Roseville, CA 95661
ATTN; Leo Pantoja, Vice President of Planning**

Notices required to be given surety, if any, of Subdivider shall be addressed as follows:

**Fidelity and Deposit Company of Maryland
633 W. 5th Street, Suite 1200
Los Angeles, CA 90071**

Any party of the surety may change such address by notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

- 16. Attorney's Fees. In the event any legal action is brought to enforce or interpret this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees, in addition to any other relief to which he may be entitled.
- 17. Assignment. This Agreement shall bind and inure to the benefit of the assigns, successors in interest, heirs, executors, and administrators of the parties, and the parties agree that the City may cause a copy of this Agreement to be recorded in the Sacramento County Recorder's Office.

IN WITNESS WHEREOF, the parties have executed this Agreement as follows:

SUBDIVIDER

**KB Home Sacramento, Inc.
A California Corporation**

BY: _____ BY: _____

Print Name: _____ Print Name: _____

DATE _____ DATE: _____

CITY OF FOLSOM, a Municipal Corporation

DATE _____

Elaine Andersen
CITY MANAGER

ATTEST:

DATE _____

Christa Freemantle
CITY CLERK

APPROVED AS TO CONTENT:

DATE _____

Pam Johns
COMMUNITY DEVELOPMENT DIRECTOR

APPROVED AS TO FORM:

DATE _____

Steven Wang
CITY ATTORNEY

NOTICE: SIGNATURE(S) ON BEHALF OF "SUBDIVIDER" MUST BE NOTARIZED
Certificate of Acknowledgement pursuant to Civil Code, Section 1189, must be attached.
SUBDIVISION AGREEMENT – **Enclave at Folsom Ranch Subdivision**

04/14/2020; Item No. 10.

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Onsite



Cost Estimate Summary

	TOTAL COST	COST TO COMPLETE
Total Cost of Improvements for Enclave at Folsom Ranch - Onsite	<u>\$ 2,085,272.00</u>	<u>\$ 687,557.00</u>
Total Cost of Improvements for Enclave at Folsom Ranch - Offsite	<u>\$ 12,089,454.10</u>	<u>\$ 1,686,817.03</u>
Total Cost of Improvements for Enclave at Folsom Ranch - Onsite and Offsite	<u>\$ 14,174,726.10</u>	<u>\$ 2,374,374.03</u>

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Onsite

04/14/2020; Item No. 10.



Cost of Improvements

ITEM NO.	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
Site Preparation							
1.	12	AC	Clearing & Grubbing	\$ 200.00	\$ 2,400.00	100%	\$ -
2.	29,300	CY	Rough Grade Excavation	\$ 3.50	\$ 102,550.00	100%	\$ -
3.	405	SF	Pressure Treated Wood Retaining Wall	\$ 20.00	\$ 8,100.00	0%	\$ 8,100.00
4.	2,940	SF	Masonry Retaining Wall	\$ 35.00	\$ 102,900.00	0%	\$ 102,900.00
5.	990	LF	4" Canyon Drain	\$ 50.00	\$ 49,500.00	100%	\$ -
6.	260	LF	6" Canyon Drain	\$ 60.00	\$ 15,600.00	100%	\$ -
7.	96	LF	Retaining Wall Drainage Pipe (4"PVC)	\$ 15.00	\$ 1,440.00	0%	\$ 1,440.00
8.	12	AC	Erosion Control	\$ 1,000.00	\$ 12,000.00	100%	\$ -
Subtotal Site Preparation					\$ 294,490.00	62%	\$ 112,440.00
Sanitary Sewer System							
1.	3,280	LF	8" Sanitary Sewer, PVC SDR 26	\$ 70.00	\$ 229,600.00	100%	\$ -
2.	15	EA	48" Standard Sanitary Sewer Manhole	\$ 4,500.00	\$ 67,500.00	100%	\$ -
3.	3	EA	60" Standard Sanitary Sewer Manhole	\$ 6,500.00	\$ 19,500.00	100%	\$ -
4.	3	EA	60" Epoxy Lined Standard Sanitary Sewer Manhole w/ 8" Drop Connection	\$ 12,000.00	\$ 36,000.00	100%	\$ -
5.	112	EA	4" Sanitary Sewer Service	\$ 1,000.00	\$ 112,000.00	100%	\$ -
6.	3	EA	8" Flushing Branch	\$ 1,500.00	\$ 4,500.00	100%	\$ -

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Onsite



Cost of Improvements

ITEM NO.	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
7.	1	EA	Connect to Existing Sewer Main	\$ 500.00	\$ 500.00	100%	\$ -
Subtotal Sanitary Sewer System					\$469,600.00	100%	\$ -

Storm Drain System

1.	483	LF	12" Storm Drain, RCP CL III	\$ 45.00	\$ 21,735.00	100%	\$ -
2.	1,414	LF	12" Storm Drain, PVC C900 CL 200	\$ 70.00	\$ 98,980.00	100%	\$ -
3.	192	LF	18" Storm Drain, RCP CL III	\$ 60.00	\$ 11,520.00	100%	\$ -
4.	570	LF	24" Storm Drain, RCP CL III	\$ 65.00	\$ 37,050.00	100%	\$ -
5.	121	LF	36" Storm Drain, RCP CL III	\$ 80.00	\$ 9,680.00	100%	\$ -
6.	10	EA	48" Standard Storm Drain Manhole	\$ 5,000.00	\$ 50,000.00	100%	\$ -
7.	8	EA	60" Standard Storm Drain Manhole	\$ 7,000.00	\$ 56,000.00	100%	\$ -
8.	1	EA	72" Standard Storm Drain Manhole	\$ 9,000.00	\$ 9,000.00	100%	\$ -
9.	1	EA	Type 'F' Drainage Inlet	\$ 2,000.00	\$ 2,000.00	100%	\$ -
10.	2	EA	Type GOL-7 (On-Grade) Drainage Inlet	\$ 4,500.00	\$ 9,000.00	100%	\$ -
11.	16	EA	Modified Type 'B' Drainage Inlet	\$ 3,500.00	\$ 56,000.00	100%	\$ -
12.	1	EA	Connect to Existing Storm Drain Main	\$ 500.00	\$ 500.00	100%	\$ -
13.	6	EA	Jensen Precast (18"x18") Drainage Inlet	\$ 2,700.00	\$ 16,200.00	100%	\$ -
Subtotal Storm Drain System					\$377,665.00	100%	\$ -

Potable Water Distribution System

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Onsite



Cost of Improvements

ITEM NO.	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
1.	2,780	LF	8" Water Main, PVC C900 CL 200	\$ 55.00	\$ 152,900.00	100%	\$ -
2.	2	EA	1" Air Release Valve	\$ 3,000.00	\$ 6,000.00	100%	\$ -
3.	13	EA	8" Gate Valve	\$ 2,000.00	\$ 26,000.00	100%	\$ -
4.	9	EA	Fire Hydrant Assembly (6" Lead & Appurtenances)	\$ 5,000.00	\$ 45,000.00	100%	\$ -
5.	1	EA	Water Sampling Station	\$ 500.00	\$ 500.00	100%	\$ -
6.	81	EA	1" Water Service	\$ 1,000.00	\$ 81,000.00	100%	\$ -
7.	6	EA	Water Service Manifold & Appurtenances	\$ 3,000.00	\$ 18,000.00	100%	\$ -
8.	17	EA	8" Gate Valve	\$ 2,000.00	\$ 34,000.00	100%	\$ -
9.	2	EA	Connection to Existing Water Main	\$ 2,500.00	\$ 5,000.00	100%	\$ -
Subtotal Potable Water Distribution System					\$368,400.00	100%	\$ -

Concrete

1.	3,020	LF	Modified Type 2 Vertical Curb & Gutter (w/ 6" AB)	\$ 20.00	\$ 60,400.00	0%	\$ 60,400.00
2.	1,880	LF	Modified Type 1 Rolled Curb & Gutter (w/ 6" AB)	\$ 20.00	\$ 37,600.00	0%	\$ 37,600.00
3.	15,380	SF	Sidewalk (6" PCC/ 6" AB)	\$ 6.00	\$ 92,280.00	0%	\$ 92,280.00
4.	111	LF	Modified Type 5 Median Curb (6")	\$ 30.00	\$ 3,330.00	0%	\$ 3,330.00
5.	66	LF	Modified Type 5 Median Curb (8")	\$ 32.00	\$ 2,112.00	0%	\$ 2,112.00
6.	574	LF	Type 5 Median Curb	\$ 15.00	\$ 8,610.00	0%	\$ 8,610.00

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Onsite



Cost of Improvements

ITEM NO.	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
7.	200	LF	Type 5 Barrier Curb	\$ 15.00	\$ 3,000.00	0%	\$ 3,000.00
8.	660	LF	3' Valley Gutter (w/ 6" AB)	\$ 37.00	\$ 24,420.00	0%	\$ 24,420.00
9.	1,680	SF	Modified Valley Gutter (w/ 6" AB)	\$ 18.00	\$ 30,240.00	0%	\$ 30,240.00
10.	115	LF	12" Concrete V-Ditch	\$ 10.00	\$ 1,150.00	0%	\$ 1,150.00
11.	180	LF	6" Courtesy Curb	\$ 30.00	\$ 5,400.00	0%	\$ 5,400.00
12.	58	EA	Parking Bumper	\$ 50.00	\$ 2,900.00	0%	\$ 2,900.00
13.	4	EA	Concrete Survey Monument	\$ 300.00	\$ 1,200.00	0%	\$ 1,200.00
Subtotal Concrete					\$272,642.00	0%	\$ 272,642.00

Streetwork

1.	2,015	Ton	Asphalt Concrete (Type 'B')	\$ 80.00	\$ 161,200.00	0%	\$ 161,200.00
2.	2,365	Ton	Aggregate Base (Class 2)	\$ 20.00	\$ 47,300.00	0%	\$ 47,300.00
3.	10	EA	Stop Sign (R1-1) on Street Name Sign Post (Sign Only)	\$ 300.00	\$ 3,000.00	0%	\$ 3,000.00
4.	1	EA	Street Name Sign on Post	\$ 500.00	\$ 500.00	0%	\$ 500.00
5.	1	EA	Stop Sign (R1-1) on Street Light (Sign Only)	\$ 300.00	\$ 300.00	0%	\$ 300.00
6.	4	EA	Stop Sign (R1-1) on Post	\$ 500.00	\$ 2,000.00	0%	\$ 2,000.00
7.	5	EA	Accessible Parking Signs (R99C and R100B) on post	\$ 500.00	\$ 2,500.00	0%	\$ 2,500.00
8.	4	EA	No Parking Sign (R26) on Post	\$ 500.00	\$ 2,000.00	0%	\$ 2,000.00
9.	5	EA	No Parking Sign (R26) on Street Light (Sign Only)	\$ 300.00	\$ 1,500.00	0%	\$ 1,500.00

04/14/2020; Item No. 10.

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Onsite



Cost of Improvements

ITEM NO.	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
10.	635	SF	Pavement Markings	\$ 5.00	\$ 3,175.00	0%	\$ 3,175.00
11.	13	EA	LED Streetlight (including Conduit, Wiring and Appurtenances	\$ 3,000.00	\$ 39,000.00	0%	\$ 39,000.00
12.	8	EA	Street Light Service Point	\$ 5,000.00	\$ 40,000.00	0%	\$ 40,000.00
Subtotal Streetwork					\$302,475.00	0%	\$ 302,475.00
Onsite Improvement Subtotal					\$2,085,272.00	67%	\$687,557.00

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Offsite



Cost of Improvements

ITEM NO.	QTY	UNIT DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
General Conditions						
1.	1	LS General Conditions	\$ 569,800.00	\$ 569,800.00	70%	\$ 170,940.00
2.	1	LS Develop Construction Water	\$ 90,829.00	\$ 90,829.00	100%	\$ -
Subtotal General Conditions				\$ 660,629.00	74%	\$ 170,940.00

Old Ranch Road

SWPPP

1.	200	LF Silt Fence	\$ 5.00	\$ 1,000.00	100%	\$ -
2.	1,100	LF ESA Fence	\$ 8.50	\$ 9,350.00	100%	\$ -
3.	12	EA Inlet Protection	\$ 360.00	\$ 4,320.00	0%	\$ 4,320.00
4.	2	AC Temp. Hydroseeding for Winterization	\$ 2,550.00	\$ 5,100.00	100%	\$ -
5.	4,500	LF Fiber Rolls	\$ 4.50	\$ 20,250.00	0%	\$ 20,250.00
6.	1	LS SWPPP Maintenance	\$ 9,000.00	\$ 9,000.00	75%	\$ 2,250.00

Wet Utilities

1.	1	LS Old Ranch Wet Utilities	\$ 1,016,299.00	\$ 1,016,299.00	95%	\$ 50,814.95
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Concrete Improvements

1.	62	LF Modified Type 5 Curb - No Base Rock	\$ 50.00	\$ 3,100.00	50%	\$ 1,550.00
2.	1,171	LF Type 2 Curb and gutter - No Base Rock	\$ 20.00	\$ 23,420.00	50%	\$ 11,710.00
3.	9,486	SF Sidewalk (6") - No Base Rock	\$ 6.25	\$ 59,287.50	50%	\$ 29,643.75

FOLSOM PLAN AREA

Cost Estimate for
 Improvement Plans for
 Enclave at Folsom Ranch
 Offsite



Cost of Improvements

ITEM NO.	QTY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
4.	4	EA	Sidewalk Ramps - No Base Rock - Addl. Labor & Dome	\$ 2,370.00	\$ 9,480.00	50%	\$ 4,740.00
5.	12	EA	Set Inlet Tops	\$ 870.00	\$ 10,440.00	50%	\$ 5,220.00

Street Lights

1.	3	EA	Type A Street Light	\$ 19,300.00	\$ 57,900.00	0%	\$ 57,900.00
2.	1,200	LF	Fiber Optic Conduit (off haul oversize)	\$ 23.70	\$ 28,440.00	100%	\$ -

Fine Grade, Rock and Pave

1.	1	LS	Fine Grade	\$ 27,124.00	\$ 27,124.00	100%	\$ -
2.	43,643	SF	4.0" AC / 8.5" AB	\$ 4.35	\$ 189,847.05	75%	\$ 47,461.76
3.	9,500	SF	6.0" AB at Walks	\$ 1.85	\$ 17,575.00	100%	\$ -
4.	17	EA	Sidewalk Irrigation Sleeve Crossing	\$ 795.00	\$ 13,515.00	100%	\$ -
5.	1	LS	Signage and Striping	\$ 11,850.00	\$ 11,850.00	0%	\$ 11,850.00

Subtotal Old Ranch Road \$1,517,297.55 84% \$ 247,710.46

Westwood Drive

SWPPP

1.	870	LF	ESA Fence	\$ 8.50	\$ 7,395.00	100%	\$ -
2.	2	EA	Inlet Protection	\$ 360.00	\$ 720.00	100%	\$ -
3.	2	AC	Temp. Hydroseeding for Winterization	\$ 2,550.00	\$ 5,100.00	100%	\$ -

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Offsite



Cost of Improvements

ITEM NO.	QTY	UNIT DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
4.	1,950	LF Fiber Rolls	\$ 4.50	\$ 8,775.00	0%	\$ 8,775.00
5.	1	LS SWPPP Maintenance	\$ 9,000.00	\$ 9,000.00	75%	\$ 2,250.00

Wet Utilities

1.	1	LS Westwood Wet Utilities	\$ 587,620.00	\$ 587,620.00	95%	\$ 29,381.00
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Concrete Improvements

1.	627	LF 8" Modified Curb - No Base Rock	\$ 50.00	\$ 31,350.00	75%	\$ 7,837.50
2.	642	LF 10" Modified Curb - No Base Rock	\$ 52.00	\$ 33,384.00	75%	\$ 8,346.00
3.	683	LF Type 2 Curb and Gutter - No Base Rock	\$ 20.00	\$ 13,660.00	75%	\$ 3,415.00
4.	4,157	SF Sidewalk - No Base Rock	\$ 6.25	\$ 25,981.25	75%	\$ 6,495.31
5.	1	EA Sidewalk Ramps - No Base Rock - Addl. Labor and Dome	\$ 2,400.00	\$ 2,400.00	75%	\$ 600.00
6.	2	EA Set Inlet Tops	\$ 870.00	\$ 1,740.00	100%	\$ -

Street Lights

1.	4	EA Type A Street Light	\$ 19,300.00	\$ 77,200.00	0%	\$ 77,200.00
2.	768	LF Fiber Optic Conduit	\$ 23.70	\$ 18,201.60	100%	\$ -

Fine Grade, Rock and Pave

1.	1	LS Fine Grade	\$ 62,072.00	\$ 62,072.00	100%	\$ -
2.	27,796	SF 3.5"-6.0" AC / 8.5"-13.0" AB	\$ 5.56	\$ 154,545.76	75%	\$ 38,636.44
3.	4	EA Irrigation Sleeve Crossings at Roadway	\$ 3,400.00	\$ 13,600.00	100%	\$ -

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Offsite



Cost of Improvements

ITEM NO.	QTY	UNIT DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
4.	3	EA Sidewalk Irrigation Sleeve Crossing	\$ 795.00	\$ 2,385.00	100%	\$ -
5.	1	LS Signage and Striping	\$ 17,800.00	\$ 17,800.00	0%	\$ 17,800.00
Subtotal Westwood Drive				\$1,072,929.61	81%	\$ 200,736.25

Alder Creek Parkway

SWPPP

1.	2,030	LF ESA Fence	\$ 8.50	\$ 17,255.00	100%	\$ -
2.	1	EA Construction Entrances	\$ 5,600.00	\$ 5,600.00	100%	\$ -
3.	7	EA Inlet Protection	\$ 360.00	\$ 2,520.00	50%	\$ 1,260.00
4.	5	AC Temp. Hydroseeding for Winterization	\$ 2,550.00	\$ 12,750.00	100%	\$ -
5.	6,300	LF Fiber Rolls	\$ 4.50	\$ 28,350.00	100%	\$ -
6.	1	LS SWPPP Maintenance	\$ 9,000.00	\$ 9,000.00	90%	\$ 900.00

Traffic Control

1.	1	LS Traffic Control	\$ 35,900.00	\$ 35,900.00	100%	\$ -
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Removals

1.	1	LS Sawcut, Remove AC/PCC & Grind	\$ 16,400.00	\$ 16,400.00	100%	\$ -
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Rough Grade

1.	15,400	CY Rough Grade	\$ 12.00	\$ 184,800.00	100%	\$ -
2.	1,510	LF 4"-6" Canyon Drain	\$ 45.50	\$ 68,705.00	100%	\$ -

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Offsite



Cost of Improvements

ITEM NO.	QTY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
3.	138,000	SF	Fine Grade Alder Creek Slopes	\$ 0.25	\$ 34,500.00	100%	\$ -
4.	1,545	LF	Fine Grade Unlined Swales	\$ 4.50	\$ 6,952.50	100%	\$ -
5.	2,359	LF	3'-5' Rock Lines Swales	\$ 16.90	\$ 39,867.10	100%	\$ -

Wet Utilities

1.	1	LS	Alder Creek Wet Utilities	\$ 1,940,137.00	\$ 1,940,137.00	95%	\$ 97,006.85
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Repair Ex. Roadway

1.	1	LS	Alder Creek Repair Road & Curb	\$ 291,630.00	\$ 291,630.00	100%	\$ -
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Removals

1.	1	LS	Sawcut, Remove AC/PCC & Grind	\$ 16,400.00	\$ 16,400.00	100%	\$ -
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Concrete Improvements

1.	892	LF	8" Modified Curb - No Base Rock	\$ 50.00	\$ 44,600.00	100%	\$ -
2.	722	LF	10" Modified Curb - No Base Rock	\$ 52.00	\$ 37,544.00	100%	\$ -
3.	1,160	LF	Type 2 Curb and Gutter - No Base Rock	\$ 20.00	\$ 23,200.00	100%	\$ -
4.	8,355	SF	Sidewalk (6") - No Base Rock	\$ 6.25	\$ 52,218.75	100%	\$ -
5.	660	SF	Driveway (6") - No Base Rock	\$ 11.90	\$ 7,854.00	100%	\$ -
6.	9	EA	Sidewalk Ramps - No Base Rock - Addl. Labor and Dome	\$ 2,400.00	\$ 21,600.00	100%	\$ -
7.	7	EA	Set Inlet Tops	\$ 870.00	\$ 6,090.00	100%	\$ -

04/14/2020; Item No. 10.

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Offsite



Cost of Improvements

ITEM NO.	QTY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
Street Lights							
1.	7	EA	Type A Street Light	\$ 19,300.00	\$ 135,100.00	100%	\$ -
2.	1,344	LF	Fiber Optic Conduit	\$ 24.00	\$ 32,256.00	100%	\$ -
3.	1	EA	Service Point	\$ 6,500.00	\$ 6,500.00	100%	\$ -
Fine Grade, Rock and Pave							
1.	1	LS	Fine Grade	\$ 94,332.00	\$ 94,332.00	100%	\$ -
2.	62,700	SF	4.0"-6.0"AC / 13.0" AB w/ Overlay	\$ 5.90	\$ 369,930.00	100%	\$ -
3.	11	EA	Irrigation Sleeve at Road & Sidewalk	\$ 5,050.00	\$ 55,550.00	100%	\$ -
4.	1	LS	Signage and Striping	\$ 29,600.00	\$ 29,600.00	100%	\$ -
Subtotal Alder Creek Parkway					\$3,627,141.35	97%	\$ 99,166.85

East Bidwell

SWPPP

1.	2,300	LF	Silt Fence	\$ 5.00	\$ 11,500.00	100%	\$ -
2.	700	LF	ESA Fence	\$ 8.50	\$ 5,950.00	100%	\$ -
3.	2	EA	Construction Entrances	\$ 5,600.00	\$ 11,200.00	90%	\$ 1,120.00
4.	9	EA	Inlet Protection	\$ 360.00	\$ 3,240.00	40%	\$ 1,944.00
5.	6	AC	Temp. Hydroseeding for Winterization	\$ 2,550.00	\$ 15,300.00	100%	\$ -
6.	6,100	LF	Fiber Rolls	\$ 4.50	\$ 27,450.00	0%	\$ 27,450.00

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Offsite



Cost of Improvements

ITEM NO.	QTY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
7.	1	LS	SWPPP Maintenance	\$ 9,000.00	\$ 9,000.00	95%	\$ 450.00
Fencing							
1.	2,100	LF	Barbed Wire Fencing - Includes Rock Auger Add	\$ 16.60	\$ 34,860.00	0%	\$ 34,860.00
Traffic Control							
1.	1	LS	Traffic Control	\$ 135,790.00	\$ 135,790.00	75%	\$ 33,947.50
Rough Grade							
1.	31,700	CY	Rough Grade	\$ 10.85	\$ 343,945.00	100%	\$ -
2.	243,800	SF	Fine Grade Bidwell Slopes & Flat Areas	\$ 0.16	\$ 39,008.00	100%	\$ -
3.	1,555	LF	Fine Grade Unlined Swales	\$ 4.50	\$ 6,997.50	100%	\$ -
4.	1,486	LF	3'-6' Rock Lined Swales	\$ 15.00	\$ 22,290.00	100%	\$ -
Wet Utilities							
1.	1	LS	Wet Utilities	\$ 2,442,900.00	\$ 2,442,900.00	95%	\$ 122,145.00
Concrete Improvements							
1.	578	LF	Modified Type 5 Curb 8" - No Base Rock	\$ 50.00	\$ 28,900.00	0%	\$ 28,900.00
2.	679	LF	Modified Type 5 Curb 10" - No Base Rock	\$ 52.00	\$ 35,308.00	0%	\$ 35,308.00
3.	696	LF	Type 2 Curb and Gutter - No Base Rock	\$ 20.00	\$ 13,920.00	0%	\$ 13,920.00
4.	130	LF	Turn Pocket Barrier	\$ 53.00	\$ 6,890.00	0%	\$ 6,890.00
5.	3,929	SF	Sidewalk (6") - No Base Rock	\$ 6.25	\$ 24,556.25	0%	\$ 24,556.25

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FOLSOM PLAN AREA

Cost Estimate for
*Improvement Plans for
 Enclave at Folsom Ranch
 Offsite*



Cost of Improvements

ITEM NO.	QTY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
6.	4	EA	Sidewalk Ramps - No Base Rock - Addl. Labor & Dome	\$ 2,400.00	\$ 9,600.00	0%	\$ 9,600.00
7.	990	SF	Concrete Driveways	\$ 11.90	\$ 11,781.00	0%	\$ 11,781.00
8.	9	EA	Set Inlet Tops	\$ 870.00	\$ 7,830.00	0%	\$ 7,830.00

Street Lights

1.	4	EA	Type A Street Lights	\$ 19,300.00	\$ 77,200.00	0%	\$ 77,200.00
2.	768	LF	Fiber Optic Conduit	\$ 23.70	\$ 18,201.60	100%	\$ -

Fine Grade, Rock and Pave

1.	1	LS	Fine Grade Bidwell	\$ 84,919.00	\$ 84,919.00	75%	\$ 21,229.75
2.	75,052	SF	3.0"-4.0" AC / 13.0" AB w/ Overlay	\$ 9.12	\$ 684,474.24	30%	\$ 479,131.97
3.	6	EA	Irrig Sleeve at Road & Sidewalk	\$ 2,746.00	\$ 16,476.00	100%	\$ -
4.	1	LS	Signage and Striping	\$ 30,000.00	\$ 30,000.00	0%	\$ 30,000.00

Subtotal East Bidwell Street \$4,159,486.59 77% \$ 968,263.47

FOLSOM PLAN AREA

Cost Estimate for
 Improvement Plans for
 Enclave at Folsom Ranch
 Offsite



Cost of Improvements

ITEM NO.	QTY	UNIT	DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
HMB Basin							
SWPPP							
1.	470	LF	Silt Fence	\$ 5.00	\$ 2,350.00	100%	\$ -
2.	410	LF	ESA Fence	\$ 8.50	\$ 3,485.00	100%	\$ -
3.	1	EA	Construction Entrances	\$ 5,600.00	\$ 5,600.00	100%	\$ -
4.	2	EA	Inlet Protection	\$ 360.00	\$ 720.00	100%	\$ -
5.	2	AC	Temp. Hydroseeding	\$ 2,550.00	\$ 5,100.00	100%	\$ -
6.	2,300	LF	Fiber Rolls	\$ 4.50	\$ 10,350.00	100%	\$ -
Rough Grade							
1.	9,750	CY	Rough Grade	\$ 9.28	\$ 90,480.00	100%	\$ -
Fine Grade							
1.	1	LS	FG Site Areas	\$ 28,400.00	\$ 28,400.00	100%	\$ -
2.	470	CY	Caltrans Rip Rap at Weir	\$ 117.00	\$ 54,990.00	100%	\$ -
3.	19,000	SF	6.0" CL II AB at Ramps/Weirs/AC Pave	\$ 1.85	\$ 35,150.00	100%	\$ -
4.	11,300	SF	3.0" AC Pave at HMB	\$ 2.65	\$ 29,945.00	100%	\$ -
Wet Utilities							
1.	1	LS	HMB Wet Utilities	\$ 106,000.00	\$ 106,000.00	100%	\$ -
Concrete Improvements							
1.	1	EA	PCC Ramp 151' x 9'	\$ 43,700.00	\$ 43,700.00	100%	\$ -

04/14/2020; Item No. 10.

FOLSOM PLAN AREA

Cost Estimate for
Improvement Plans for
Enclave at Folsom Ranch
Offsite

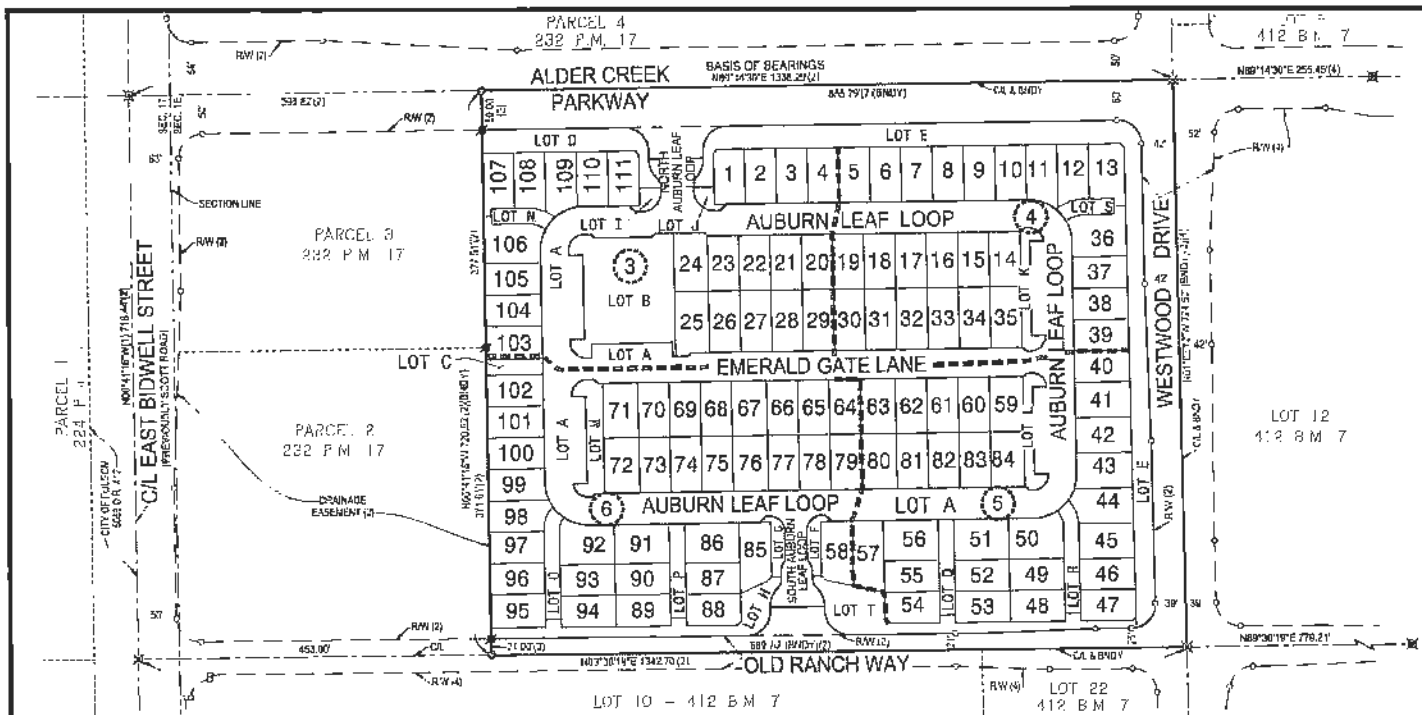


Cost of Improvements

ITEM NO.	QTY	UNIT DESCRIPTION	UNIT PRICE	AMOUNT	COMP. STATUS	COST TO COMPLETE
2.	1	EA Settling Basin Ramp 60' x 9'	\$ 23,600.00	\$ 23,600.00	100%	\$ -
3.	1	EA Spillway Weir	\$ 103,500.00	\$ 103,500.00	100%	\$ -
4.	1	EA 72" Outfall Structure	\$ 114,200.00	\$ 114,200.00	100%	\$ -
5.	1	EA HMB No. 19	\$ 394,400.00	\$ 394,400.00	100%	\$ -
Subtotal HMB No. 19				\$ 1,051,970.00	100%	\$ -
Offsite Improvement Subtotal				\$ 12,089,454.10	86%	\$ 1,686,817.03

ATTACHMENT 3

FINAL MAP



LEGEND

- ☒ CITY OF FOLSOM MONUMENT WELL STAMPED 'LS 5760' TO BE SET PER (2) OR (4)
- ☒ 5/8" REBAR W/ PLASTIC CAP STAMPED 'LS 5760' TO BE SET PER (2)
- ☒ SET STANDARD CITY OF FOLSOM MONUMENT WELL STAMPED 'LS 5760'
- ☒ SET 3/4" IRON PIPE WITH PLASTIC PLUG STAMPED 'LS 5760'
- DIMENSION POINT
- || RECORD DATA PER REFERENCE
- A.C. ACRES
- B.M. BOOK OF MAPS
- BNDY BOUNDARY
- CL CENTERLINE
- D.E. DRAINAGE EASEMENT
- L.E. LANDSCAPE EASEMENT
- MON. MONUMENT
- OVERALL OVERALL
- O.R. OFFICIAL RECORDS OF SACRAMENTO COUNTY
- P.A.E. PEDESTRIAN ACCESS EASEMENT
- P.M. PARCEL MAP
- P.U.E. PUBLIC UTILITY EASEMENT
- R/W RIGHT-OF-WAY
- RB RADIAL BEARING
- S.F. SQUARE FEET
- SI SHEET INDEX

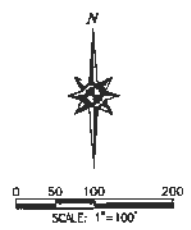
REFERENCES

- (1) 224 P.M. 14
- (2) 232 P.M. 17
- (4) 412 B.M. 7

BASIS OF BEARINGS
 THE BEARING NORTH 89°14'30" EAST ON THE CENTERLINE OF ALDER CREEK PARKWAY, AS SHOWN ON PARCEL MAP 16-025 FILED FOR RECORD ON JUNE 28, 2018 IN BOOK 232 OF PARCEL MAPS, AT PAGE 17, SACRAMENTO COUNTY RECORDS IS THE BASIS OF BEARINGS FOR THIS MAP.

NOTES

1. ALL CURVE DIMENSIONS ARE RADIUS, ARC LENGTH AND DELTA. ALL DISTANCES SHOWN ARE GROUND DISTANCES AND ARE IN FEET AND DECIMALS THEREOF. DUE TO ROUNDING THE SUM OF INDIVIDUAL DIMENSIONS MAY NOT EQUAL THE OVERALL DIMENSION.
2. THIS FINAL MAP CONTAINS 1472± A.C. GROSS CONSISTING OF 111 RESIDENTIAL LOTS AND 26 LETTERED LOTS.
3. REAR CORNERS FOR RESIDENTIAL LOTS 2-12, 35-45, COMMON LINE OF 5758, 58-84, COMMON LINE OF 8786 AND 96-110 WILL BE SET WITH A 4.00 FOOT OFFSET ON THE SIDE LOT LINE WITH A 5/8" REBAR AND PLASTIC CAP STAMPED 'LS 5760'. REAR CORNERS FOR RESIDENTIAL LOTS 14-35, 49-52, COMMON LINE OF 8867 AND 96-93 WILL BE SET WITH A 5/8" REBAR AND PLASTIC CAP STAMPED 'LS 5760' (SEE DETAIL SHEET 3).
4. ALL RESIDENTIAL LOT CORNERS ALONG AUBURN LEAF LOOP AND EMERALD GATE LANE WILL BE SET IN CONCRETE, OFFSET 1.00 FOOT ON THE SIDE/REAR LOT LINE EXTENDED WITH A 1" DIAMETER BRASS DISC STAMPED 'LS 5760'. FRONT LOT CORNERS ALONG LOTS N, O, P, Q, R AND S WILL BE SET IN CONCRETE, OFFSET 1.00 FOOT ON THE SIDE LOT LINE EXTENDED WITH A 1" DIAMETER BRASS DISC STAMPED 'LS 5760' (SEE DETAIL SHEET 3).
5. PROPERTY SUBJECT TO SCHOOL FACILITIES IMPROVEMENT DISTRICT NO. 3, AS DISCLOSED BY A MAP FILED JULY 7, 2006 IN BOOK 103, PAGE 9 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS.
6. PROPERTY SUBJECT TO TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT TITLED "FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT, RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN" PER 20140715 O.R. 0517, AND "AMENDMENT NO.1 TO FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN" PER 20160129 O.R. 0365, AND "ASSIGNMENT AND ASSUMPTION AGREEMENT RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT" PER INSTRUMENT NO. 201906090806, AND "ASSIGNMENT AND ASSUMPTION AGREEMENT RELATIVE TO THE FOLSOM SOUTH SPECIFIC PLAN AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT" PER INSTRUMENT NO. 201907051031.
7. PROPERTY SUBJECT TO THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT TITLED "FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT" PER 20140715 O.R. 0522, AND "AMENDMENT NO. 1 TO FIRST AMENDED AND RESTATED TIER 1 DEVELOPMENT AGREEMENT" PER 20160129 O.R. 0366.
8. PROPERTY SUBJECT TO "WATER SUPPLY AND FACILITIES FINANCING PLAN AND AGREEMENT" PER 20130424 O.R. 1382, AND "ASSIGNMENT AND ASSUMPTION AGREEMENT" RELATIVE TO WATER SUPPLY AND FACILITIES FINANCING PLAN AND AGREEMENT" PER 20130226 O.R. 1519 AND "ASSIGNMENT AND ASSUMPTION AGREEMENT" RELATIVE TO WATER SUPPLY AND FACILITIES FINANCING PLAN AND AGREEMENT" PER 20130521 O.R. 0991, AND "AMENDMENT TO THE WATER SUPPLY AND FACILITIES FINANCING PLAN AND AGREEMENT" PER 20140603 O.R. 0959.
9. PROPERTY SUBJECT TO "MEMORANDUM OF JOINT ENTITLEMENT AND BOUNDARY LINE ADJUSTMENT AGREEMENT" PER 20130326 O.R. 1329.
10. PROPERTY SUBJECT TO AN AVIGATION EASEMENT IN FAVOR OF THE COUNTY OF SACRAMENTO AND CITY OF FOLSOM PER 20140715 O.R. 0518 AND 20140715 O.R. 0623.
11. PROPERTY SUBJECT TO COMMUNITY FACILITIES DISTRICT NO. 17 (WILLOW HILL PIPELINE) PER 20150925 O.R. 6353.
12. PROPERTY SUBJECT TO "CITY OF FOLSOM COMMUNITIES FACILITIES DISTRICT NO. 18" PER 20151209 O.R. 0427.
13. PROPERTY SUBJECT TO COMMUNITY FACILITIES DISTRICT CFD 2013-1 (WATER FACILITIES AND SUPPLY) PER 20131230 O.R. 0311.
14. A PRELIMINARY GEOTECHNICAL ENGINEERING REPORT FOR ENCLAVE AT FOLSOM RANCH (PROJECT NO. E17063-018) WAS PREPARED BY YOUNGJAHN CONSULTING GROUP, INC. ON JUNE, 2017 IS AVAILABLE FOR PUBLIC INSPECTION AT THE CITY OF FOLSOM COMMUNITY DEVELOPMENT DEPARTMENT.
15. LOTS A, B, C, AND F THROUGH T TO BE DEEDED IN FEE TO THE HOMEOWNERS ASSOCIATION BY SEPARATE DOCUMENT.
16. LOTS A, N, O, P, Q, R AND S ARE PRIVATE ROADS TO BE OWNED AND MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
17. LOT B IS A PRIVATE PARK TO BE OWNED AND MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
18. LOTS D AND E ARE LANDSCAPE LOTS TO BE MAINTAINED BY THE CITY OF FOLSOM AND DEEDED IN FEE BY SEPARATE DOCUMENT TO THE CITY OF FOLSOM.
19. LOTS H AND T ARE LANDSCAPE LOTS TO BE OWNED AND MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
20. LOTS C, F, G, I, J, K, L, AND M ARE PRIVATE INGRESS/EGRESS AND LANDSCAPING LOTS TO BE OWNED AND MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
21. SUBDIVISION SUBJECT TO DEVELOPMENT PERMIT 15-025 ON FILE IN THE CITY OF FOLSOM.
22. LOTS SUBJECT TO COVENANTS, CONDITIONS AND RESTRICTIONS PER DOC.
23. SEWER AND WATER FACILITIES WITHIN LOT A TO BE OWNED AND MAINTAINED BY THE CITY OF FOLSOM. SEWER AND WATER FACILITIES WITHIN LOTS N THROUGH S TO BE OWNED AND MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
24. STORM DRAIN FACILITIES WITHIN ALL LETTERED LOTS OF THIS SUBDIVISION TO BE OWNED AND MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
25. PROPERTY SUBJECT TO THE TERMS AND PROVISIONS CONTAINED IN THE DOCUMENT ENTITLED "DOCK SHARING AGREEMENT" RECORDED MAY 9, 2015 AS INSTRUMENT NO. 201505090856 OF OFFICIAL RECORDS.
26. THE EASEMENTS LISTED BELOW, NOT SHOWN HEREON, ARE HEREBY ABANDONED PER SECTION 6643(d) OF THE GOVERNMENT CODE:
 A. 25' LEAP U.E./P.A.E. ALONG WESTERLY RIGHT-OF-WAY OF WESTWOOD DRIVE.
 B. 14' P.A.E./P.U.E. ALONG NORTHERLY RIGHT-OF-WAY OF OLD RANCH WAY.



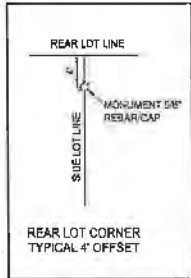
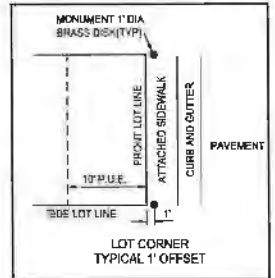
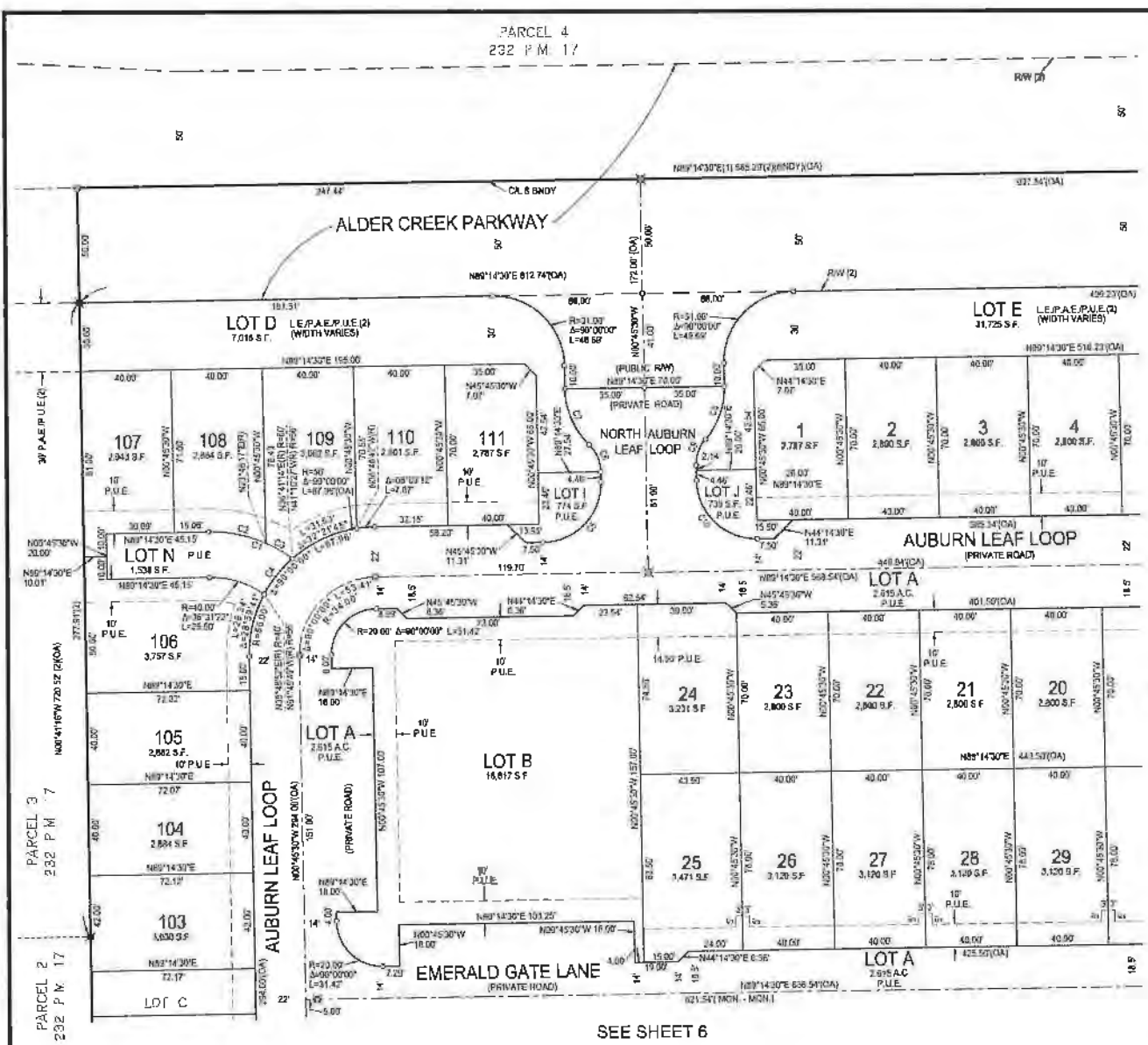
FINAL MAP PN 16-025
ENCLAVE AT FOLSOM RANCH

BEING A SUBDIVISION OF PARCEL 1 AS SHOWN AND SO DESIGNATED ON THAT CERTAIN PARCEL MAP ENTITLED "PARCEL MAP PN 16-025" FILED FOR RECORD ON JUNE 28, 2018 IN BOOK 232 OF PARCEL MAPS, AT PAGE 17, SACRAMENTO COUNTY RECORDS, BEING A PORTION OF SECTION 18, TOWNSHIP 9 NORTH, RANGE 8 EAST, M.D.M.

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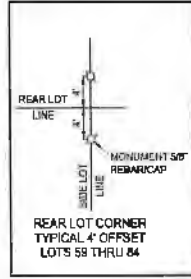
Mackay & Somp
 ENGINEERS PLANNERS SURVEYORS
 1025 Colusa Highway, Suite 102, Colusa, CA 95925

MARCH 2020
 SHEET 2 OF 6



CURVE TABLE

#	RADIUS	DELTA	LENGTH
C1	80.00'	37°28'47"	39.21'
C2	60.00'	24°53'45"	28.12'
C3	60.00'	12°52'57"	13.49'
C4	56.00'	20°32'21"	20.12'
C5	26.00'	80°00'00"	49.84'
C6	17.00'	44°38'22"	13.24'
C7	35.00'	44°38'22"	27.27'
C8	35.00'	41°24'35"	25.30'
C9	17.00'	41°24'35"	12.29'
C10	26.00'	80°00'00"	49.84'



**FINAL MAP PN 16-025
ENCLAVE AT FOLSOM RANCH**

BEING A SUBDIVISION OF PARCEL 1 AS SHOWN AND SO DESIGNATED ON THAT CERTAIN PARCEL MAP ENTITLED "PARCEL MAP PN 16-025" FILED FOR RECORD ON JUNE 29, 2018 IN BOOK 232 OF PARCEL MAPS, AT PAGE 17, SACRAMENTO COUNTY RECORDS, BEING A PORTION OF SECTION 16, TOWNSHIP 9 NORTH, RANGE 8 EAST, M.D.M.

CITY OF FOLSOM • SACRAMENTO COUNTY • CALIFORNIA
MACKAY & SOMPS MARCH 2020
 ENGINEERS PLANNERS SURVEYORS
 1875 Cowles Ridge Drive, Suite 100, Folsom, CA 95630 (916) 751-9100
 SHEET 3 OF 6

SEE SHEET 2 FOR BASIS OF BEARINGS, NOTES, LEGEND & REFERENCES.

PARCEL 4
232 P.M. 17

ALDER CREEK PARKWAY

WESTWOOD DRIVE

WESTWOOD DRIVE

LOT E
31,726 S.F.
L.E./P.A.E.P./U.E. (2)
(WIDTH VARIES)

AUBURN LEAF LOOP
(PRIVATE ROAD)

LOTA A
2,616 A.C. P.U.E.

LOTA A
2,616 A.C. P.U.E.

LOTA K
2,616 A.C. P.U.E.

LOTA A
2,615 A.C. P.U.E.

CURVE TABLE

#	RADIUS	DELTA	LENGTH
C1	50.00'	28°57'23"	46.88'
C2	60.00'	03°27'07"	3.62'



SCALE: 1" = 30'

FINAL MAP PN 16-025
ENCLAVE AT FOLSOM RANCH

BEING A SUBDIVISION OF PARCEL 1 AS SHOWN AND SO DESIGNATED ON THAT CERTAIN PARCEL MAP ENTITLED "PARCEL MAP PN 16-025" FILED FOR RECORD ON JUNE 26, 2018 IN BOOK 232 OF PARCEL MAPS, AT PAGE 17, SACRAMENTO COUNTY RECORDS, BEING A PORTION OF SECTION 16, TOWNSHIP 9 NORTH, RANGE 8 EAST, M.D.M.

CITY OF FOLSOM • SACRAMENTO COUNTY • CALIFORNIA

Mackay & Soms
ENGINEERS PLANNERS SURVEYORS

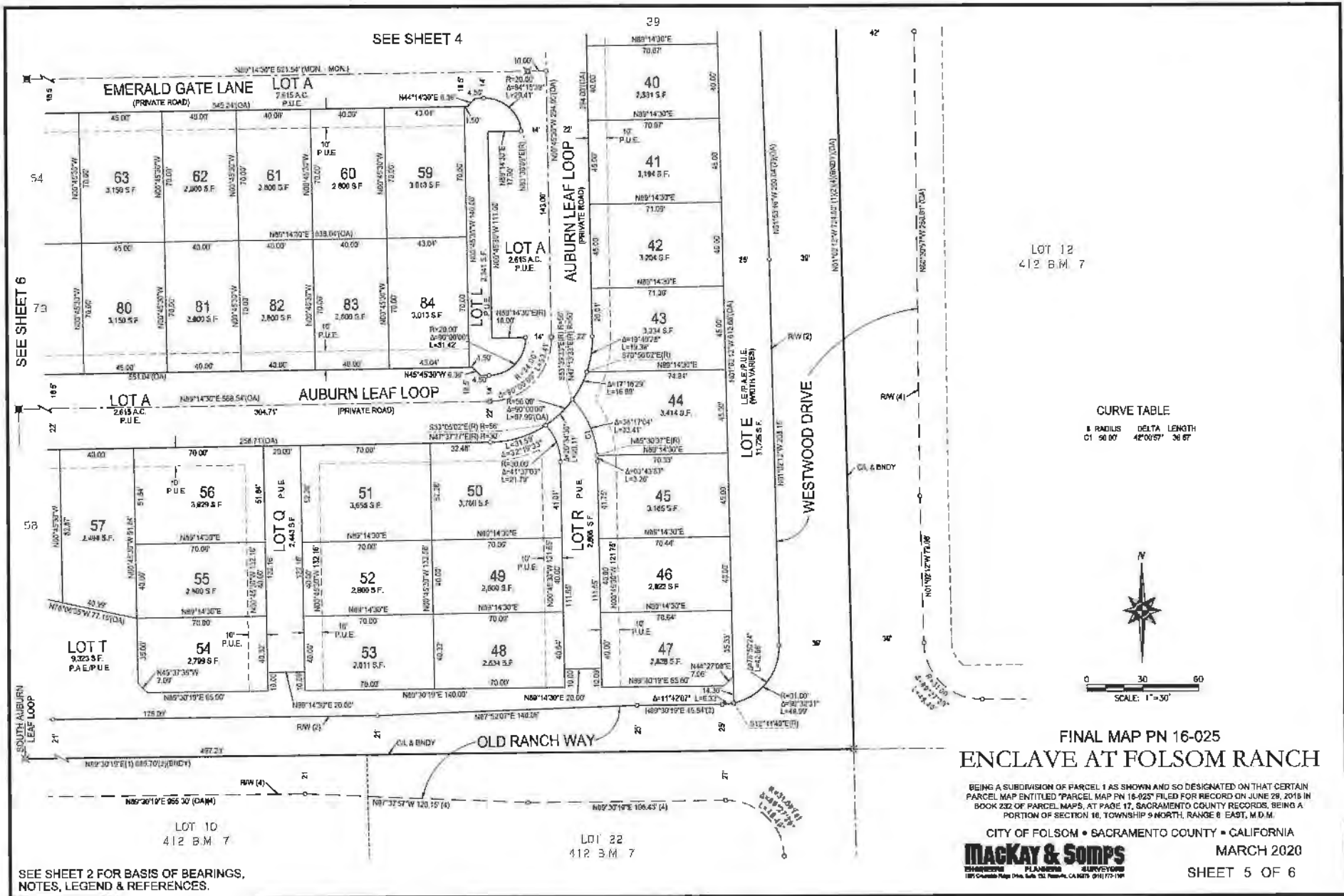
MARCH 2020

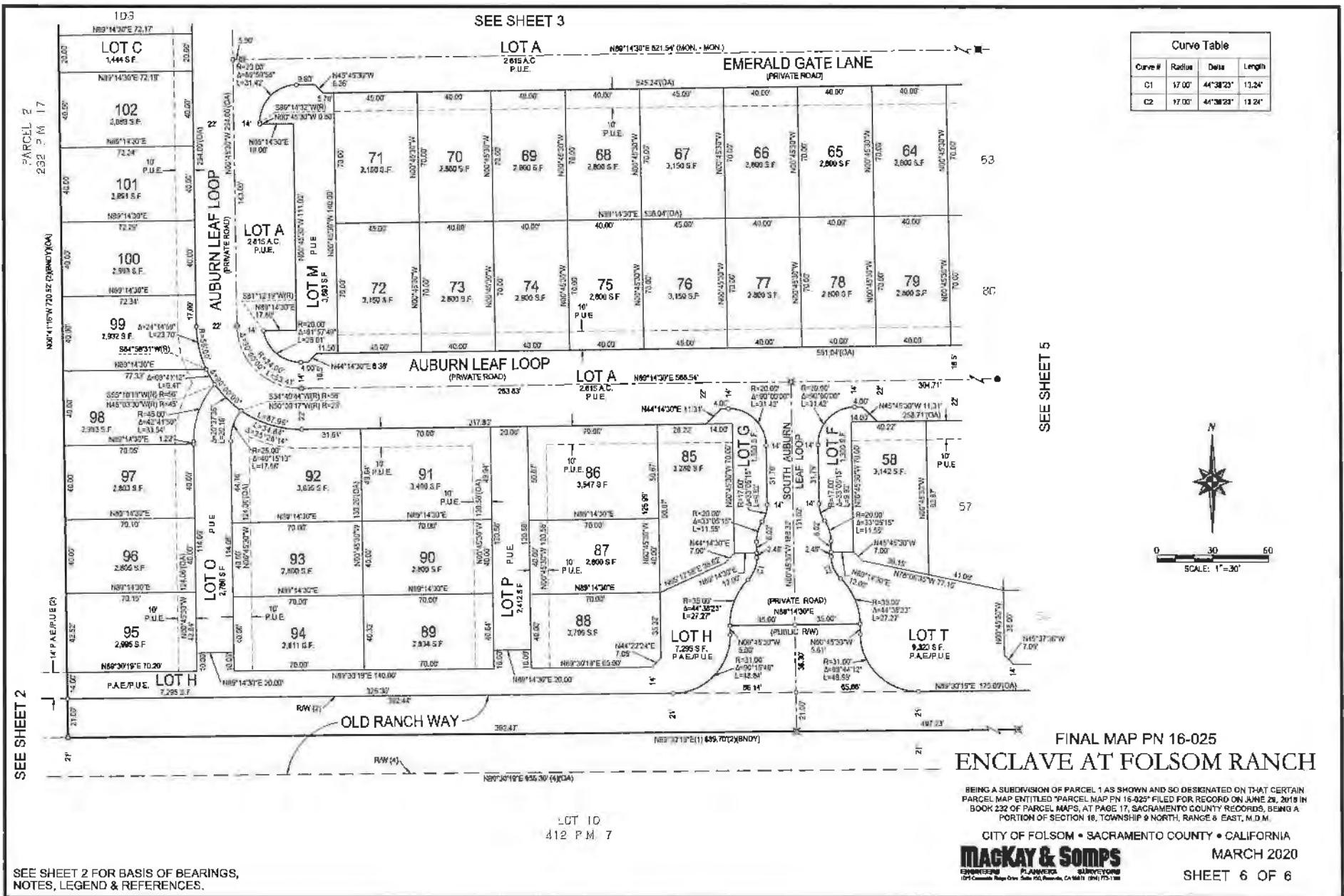
SHEET 4 OF 6

SEE SHEET 3

SEE SHEET 5

SEE SHEET 2 FOR BASIS OF BEARINGS,
NOTES, LEGEND & REFERENCES.

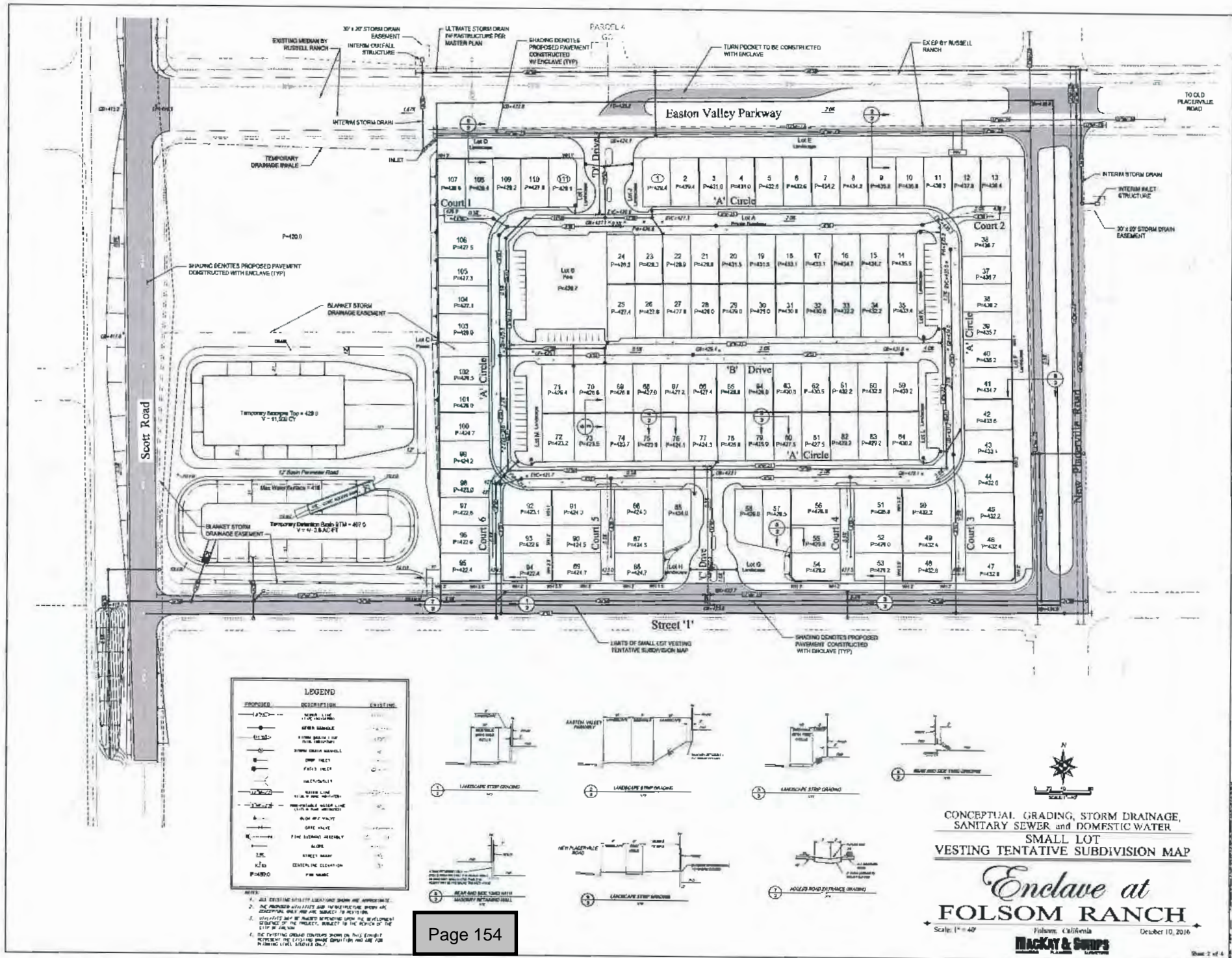




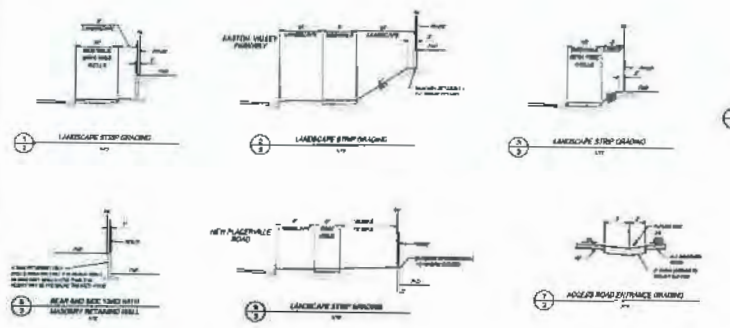
Curve Table			
Curve #	Radius	Delta	Length
C1	17.00'	44°38'23"	13.24'
C2	17.00'	44°38'23"	13.24'



ATTACHMENT 4
VESTING TENTATIVE SUBDIVISION MAP



PROPOSED	DESCRIPTION	EXISTING
---	LINE	---
---	AREA	---
---	STORM DRAIN	---
---	SEWER	---
---	WATER	---
---	...	---



CONCEPTUAL GRADING, STORM DRAINAGE,
SANITARY SEWER and DOMESTIC WATER
SMALL LOT
VESTING TENTATIVE SUBDIVISION MAP

Enclave at FOLSOM RANCH

Scale: 1" = 40' Folsom, California October 10, 2016

Mackay & Samps
Civil Engineers

ATTACHMENT 5
TABLE OF CONDITIONS OF APPROVAL

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
1.	<p><i>Final Development Plans</i> The owner/applicant shall submit final site development plans to the Community Development Department that shall substantially conform to the exhibits referenced below:</p> <ol style="list-style-type: none"> 1. Vesting Tentative Subdivision Map, dated October 10, 2016 2. Preliminary Site Plan, dated July 22, 2016 3. Preliminary Grading and Drainage Plan, dated October 10, 2016 4. Preliminary Off-Site Infrastructure Plan, dated October 10, 2016 5. Scott Road Interim Improvement Plans, dated October 10, 2016 6. Enclave at Folsom Ranch Design Guidelines, dated July 25, 2016 7. Inclusionary Housing Plan, dated December 22, 2015 8. CEQA Exemption and Streamlining Analysis for Enclave at Folsom Ranch <p>The Tentative Parcel Map, Vesting Tentative Subdivision Map, and Planned Development Permit are approved for the development of a 111-unit single family residential subdivision (Enclave at Folsom Ranch Subdivision). Implementation of the project shall be consistent with the above referenced items and these conditions of approval.</p>	G, I, M, B	CD (P)(E)	<p>The Community Development Department has reviewed and approved the on-site and off-site improvement plans and the final map for the Enclave at Folsom Ranch subdivision. The approved improvement plans are in substantial compliance with the preliminary grading and drainage plans, the preliminary site and utility plans, offsite infrastructure exhibit, the preliminary landscape plans, and the Enclave at Folsom Ranch design guidelines.</p> <p>The final map is in substantial compliance with the approved Vesting Tentative Subdivision Map.</p> <p>The Vesting Tentative Subdivision Map was (PN16-025) approved by the City Council on November 8, 2016. The City Council approved Resolution No. 9944 (PN17-132) extending the Vesting Tentative Subdivision Map to November 8, 2020 on June 17, 2017.</p>	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
2.	<p><i>Plan Submittal</i> All civil engineering, improvement, and landscape and irrigation plans, shall be submitted to the Community Development Department for review and approval to ensure conformance with this approval and with relevant codes, policies, standards and other requirements of the City of Folsom.</p>	G, I, M, B	CD (P)(E)(B)	<p>On-site and Off-site Improvement plans for the Enclave at Folsom Ranch subdivision have been reviewed and approved by the Community Development Department. Grading and construction commenced in this subdivision in the Spring of 2019.</p> <p>Landscape and Irrigation plans for this subdivision have been submitted to the City and shall be approved prior to the first building permit issuance in the subdivision.</p>	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
3.	<p><i>Validity</i> This approval of the Tentative Parcel Map, Vesting Tentative Subdivision Map, and Planned Development Permit shall be valid for the term specified in Amendment No. 1 to ARDA, and any amendments thereto, for the project, or for a period of twenty-four months from final date of approval (October 5, 2018), whichever is longer, but in no event for a shorter period than the maximum period of time permitted by the Subdivision Map Act. Pursuant to Section 2.2 of Amendment No. 1 to ARDA, the term of the Project Design Guidelines shall track the term of the maps.</p> <p><u>This approval of the Tentative Parcel Map and Vesting Tentative Subdivision Map shall be valid for a period of twenty-four (24) months pursuant to Section 16.16.110A of the Folsom Municipal Code and the Subdivision Map Act. The term of the approved Planned Development Permit shall track the term of the Vesting Small Lot Tentative Subdivision Map, as may be extended from time to time pursuant to Section 16.16.110A and 16.16.120 of the Folsom Municipal Code and the Subdivision Map Act. The term of the Project Design Guidelines shall track the term of the First Amended and Restated Tire 1 Development Agreement.</u></p>	OG	CD (P)	The City Council approved the Tentative Parcel Map and the Vesting Tentative Subdivision Map for the Enclave at Folsom Ranch on November 8, 2016. The Tentative Parcel Map recorded in Book 232 of Parcel Maps at Page 17. The Vesting Tentative Subdivision Map is valid until November 8, 2020. The Final Map is in compliance with the State Subdivision Map Act and the Folsom Municipal Code.	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
4.	<p><i>Improvements in the PFFP</i> The owner/applicant shall be subject to all thresholds, timelines and deadlines for the construction and final completion of various improvements for the entire Folsom Plan Area. The various improvements are outlined and detailed in the Folsom Plan Area Specific Plan Public Facilities Financing Plan (PFFP) dated January 28, 2014 and adopted by City of Folsom Resolution No. 9298. These improvements in the PFFP include, but are not limited to, the backbone infrastructure water (water reservoirs, water transmission mains, booster pump stations, pressure reducing valve stations, etc.), sanitary sewer (lift stations and forced mains) systems, recycled water mains and associated infrastructure, roadway and transportation (future interchanges, major arterial roadways, etc.) improvements, aquatic center (community pool), parks, fire stations, municipal services center, community library, etc. The thresholds and timelines included in the PFFP require facilities to be constructed and completed based on number of building permits issued and in some cases, number of residential units that are occupied. The owner/applicant shall be required to address these thresholds and timelines as the project moves forward through the various developments stages and shall be subject to the various fair share requirements, subject to the provisions of the PFFP, the ARDA and any amendment thereto.</p>	M	CD(E)(P) (B), PW, FD, EWR, PR	As this is one of the first subdivisions in the FPASP, all required Phase 1 backbone infrastructure to serve this subdivision has been constructed and accepted by the City. This condition of approval is therefore satisfied. There is only one (1) phase with the Enclave at Folsom Ranch subdivision. The on-site and off-site grading and infrastructure plans have been reviewed and approved by the City necessary to serve this subdivision. The grading and infrastructure construction for this subdivision commenced in the Spring of 2019.	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
5.	<p><i>Indemnity for City</i> The owner/applicant shall protect, defend, indemnify, and hold harmless the City and its agents, officers and employees from any claim, action or proceeding against the City or its agents, officers or employees to attack, set aside, void, or annul any approval by the City or any of its agencies, departments, commissions, agents, officers, employees, or legislative body concerning the project, which claim, action or proceeding is brought within the time period provided therefore in Government Code Section 66499.37 or other applicable statutes of limitation. The City will promptly notify the owner/applicant of any such claim, action or proceeding, and will cooperate fully in the defense. If the City should fail to cooperate fully in the defense, the owner owner/applicant shall not thereafter be responsible to defend, indemnify and hold harmless the City or its agents, officers, and employees, pursuant to this condition. The City may, within its unlimited discretion, participate in the defense of any such claim, action or proceeding if both of the following occur:</p> <ul style="list-style-type: none"> • The City bears its own attorney's fees and costs; and • The City defends the claim, action or proceeding in good faith <p>The owner/applicant shall not be required to pay or perform any settlement of such claim, action or proceeding unless the settlement is approved by the owner/applicant. The owner/applicant's obligations under this condition shall apply regardless of whether a Final Map is ultimately recorded with respect to this project.</p>	OG	CD (P)(E)(B) PW, PR, FD, PD	The City standard subdivision improvement agreement includes language that satisfies this condition. The subdivision improvement agreement will be executed by the City Manager upon approval by the City Council.	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
6.	<p><i>Vesting Tentative Subdivision Map</i> The Vesting Tentative Subdivision map is expressly conditioned upon compliance with all environmental mitigation measures in the Folsom Plan Area Specific Plan (FEIR/EIS) and Westland Addendum to the Folsom Plan Area Specific Plan (EIR).</p>	OG	CD	The owner/applicant has complied with all applicable mitigation measures from the FEIR/EIS prior to the issuance of a grading permit. Additionally, construction inspection and monitoring has been conducted throughout construction by the City and/or its Consultants.	Yes
7.	<p><i>ARDA and Amendments</i> The owner/applicant shall comply with all provisions of Amendment No. 1 to ARDA and any approved amendments by and between the City and the owner/applicant of the project.</p>	G, I, M, B	CD (E)	The owner/applicant has complied with all applicable provisions of the respective Amended and Restated Tier 1 Development Agreement.	Yes
8.	<p><i>Mitigation Monitoring</i> The owner/applicant shall be required to participate in a mitigation monitoring and reporting program pursuant to City Council Resolution No. 2634 and Public Resources Code 21081.6. The mitigation monitoring and reporting measures identified in the Folsom Plan Area Specific Plan FEIR/EIS have been incorporated into these conditions of approval in order to mitigate or avoid significant effects on the environment. These mitigation monitoring and reporting measures are identified in the mitigation measure column. Applicant shall fund on a Time and Materials basis all mitigation monitoring (e.g., staff and consultant time).</p>	OG	CD (P)	The owner/applicant has funded and participated in a Mitigation Monitoring Reporting Program (MMRP) throughout the course of construction. The MMRP is being conducted by both City staff and the City's consultant, Helix.	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
9.	<p>The owner/applicant shall consult with the Police Department in order to incorporate all reasonable crime prevention measures. The following security/safety measures shall be considered:</p> <ul style="list-style-type: none"> • A security guard on-duty at all times at the site or a six-foot security fence shall be constructed around the perimeter of construction areas. • Security measures for the safety of all construction equipment and unit appliances. • Landscaping shall not cover exterior doors or windows, block line-of-sight at intersections or screen overhead lighting. 	G, I, B	PD	The owner/applicant provided onsite security during construction and has incorporated line of sight guidelines into landscaping plans at all intersections in the subdivision.	Yes
10.	<p>Taxes and Fees The owner/applicant shall pay all applicable taxes, fees and charges for the project at the rate and amount required by the Public Facilities Financing Plan and the Amended and Restated Development Agreement.</p>	OG	CD (P)(E)	The owner/applicant has paid all current taxes and fees associated with the subdivision.	Yes
11.	<p>Assessments If applicable, the owner/applicant shall pay off any existing assessments against the property, or file necessary segregation request and pay applicable fees.</p>	OG	CD (E)	The Owner/Applicant shall pay all required City fees and Plan Area wide fees prior to issuance of building permits.	Condition will be satisfied prior to building permit issuance

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
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TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
12.	<p><i>FPASP Development Impact Fees</i> The owner/applicant shall be subject to all Folsom Plan Area Specific Plan Area development impact fees in place at the time of approval or subsequently adopted consistent with the Public Facilities Financing Plan (PFFP), Development Agreement and amendments thereto, unless exempt by previous agreement. The owner/applicant shall be subject to all applicable Folsom Plan Area plan-wide development impact fees in effect at such time that a building permit is issued. These fees may include, but are not limited to, the Folsom Plan Area Specific Plan Fee, Specific Plan Infrastructure Fee (SPIF), Solid Waste Fee, Corporation Yard Fee, Transportation Management Fee, Transit Fee, Highway 50 Interchange Fee, General Park Equipment Fee, Housing Trust Fee, etc.</p> <p>Any protest to such for all fees, dedications, reservations or other exactions imposed on this project will begin on the date of final approval (October 5, 2016), or otherwise shall be governed by the terms of Amendment No. 1 to ARDA. The fees shall be calculated at the fee rate set forth in the PFFP and the ARDA.</p>	B	CD (E), PW, PK	The Owner/Applicant shall pay all required City fees and Plan Area wide fees prior to issuance of building permits.	Condition will be satisfied prior to issuance of a building permit.

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
13.	<p><i>Legal Counsel</i> The City, at its sole discretion, may utilize the services of outside legal counsel to assist in the implementation of this project, including, but not limited to, drafting, reviewing and/or revising agreements and/or other documentation for the project. If the City utilizes the services of such outside legal counsel, the City shall provide notice to the owner/applicant of the outside counsel selected, the scope of work and hourly rates, and the owner/applicant shall reimburse the City for all outside legal fees and costs incurred and documented by the City for such services. The owner/applicant may be required, at the sole discretion of the City Attorney, to submit a deposit to the City for these services prior to initiation of the services. The owner/applicant shall be responsible for reimbursement to the City for the services regardless of whether a deposit is required.</p>	OG	CD (P)(E)	The City has not yet utilized any outside services for any type of legal issues for this subdivision. If at any time during the development of this subdivision, any outside legal services were necessary, the owner/applicant would be required to conform to this condition.	Yes
14.	<p><i>Consultant Services</i> If the City utilizes the services of consultants to prepare special studies or provide specialized design review or inspection services for the project, the City shall provide notice to the owner/applicant of the outside consultant selected, the scope of work and hourly rates, and the owner/applicant shall reimburse the City for actual costs incurred and documented in utilizing these services, including administrative costs for City personnel. A deposit for these services shall be provided prior to initiating review of the Grading Plan, Final Map, improvement plans, or beginning inspection, whichever is applicable.</p>	G, I, M, B	CD (P)(E)	The City has provided notice to the owner/applicant for various Consultants performing services for the development of this subdivision. The City has collected deposits in advance of such work for these services.	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
15.	<p>Phasing Plan The owner/applicant shall prepare a complete and comprehensive phasing plan and shall submit the phasing plan to the City for each proposed phase of development. The phasing plan shall include all required infrastructure for each proposed phase of development. The infrastructure shall include all required on-site and off-site improvements, but not limited to, water system improvements (distribution and transmission mains, booster pump stations, water reservoirs, PRV stations, etc.), recycled water mains and associated infrastructure, sanitary sewer improvements (sewer mains, lift stations, forced mains, etc.) roadway and transportation improvements, storm drainage improvements (detention/water quality basins, outfalls, etc.) and all other necessary improvements required for each phase of development. The phasing plan shall include itemized cost estimates for all required improvements and the phasing plan shall be reviewed and approved by the City prior to approval of grading and/or improvements plans.</p> <p>The City Engineer may condition the phasing to ensure that each phase functions independently and is consistent with the minimum utility and access standards of the City. All maps filed in phases will be required to have two points of access for vehicle access and/or general traffic purposes for each phase and all off-site utilities deemed necessary as determined by the City Engineer.</p>	G, I, M,	CD (E), EWR, PW, FD	The owner/applicant submitted a phasing plan for the on-site and off-site improvement plans which were reviewed and approved by the Community Development Department. All required infrastructure necessary to allow development to proceed in this subdivision is expected to be completed by the end of December 2019.	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
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TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
16.	<p><i>Off-site improvements / Rights of Entry</i> For any improvements constructed on private property that are not under the ownership or control of the owner/applicant, all rights-of-entry, and if necessary, a permanent easement shall be obtained and provided to the City. All rights of entry, construction easements, either permanent or temporary and other easements shall be obtained as set forth in Amendment No. 1 to ARDA, which shall be fully executed by all affected parties and shall be recorded with the Sacramento County Recorder, where applicable, prior to approval of grading and/or improvement plans.</p>	G	CD (E)	The owner/applicant obtained all Rights of Entry, construction easements and grant deeds for all off-site improvements prior to commencement of grading. All rights-of-entry are on file with the Community Development Department.	Yes
17.	<p><i>Geotechnical Report</i> Prior to the issuance of any grading permit, the owner/applicant shall have a geotechnical report prepared by an appropriately licensed engineer that includes an analysis of site preparation, soil bearing capacity, appropriate sources and types of fill, potential need for soil amendments, road, pavement and parking areas, structural foundations, including retaining all designs, grading practices, soil corrosion of concrete and steel, erosion /winterizations, seismic ground shaking, liquefaction and expansive/unstable soils.</p>	G	CD (E)	A geotechnical report has been prepared by the consulting firm of Youngdahl & Associates, Inc., which includes an analysis for site suitability, roadway, and pavement design. The Community Development Department has reviewed and approved the improvement plans for the subdivision to ensure that all recommendations of the Geotechnical report have been addressed.	Yes
18.	<p><i>Geotechnical Recommendations</i> The owner/applicant shall submit to the Engineering Division, for review and approval, a grading plan for the project site which ensures that all geotechnical recommendations specified in the geotechnical report are properly incorporated and utilized in the design.</p>	G	CD (E)	The owner/applicant submitted a grading plan incorporating all geotechnical recommendations for review and received approval by the City prior to commencement of grading in the Spring of 2019.	Yes

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19.	<p><i>Geotechnical Monitoring Program</i> The owner/applicant shall contract with a geotechnical engineer who shall develop a program to monitor the sites during construction to ensure compliance with the recommendations presented in the geotechnical report(s) and conditions for performing such monitoring. The geotechnical monitoring program shall include a description of the improvements areas where geotechnical monitoring shall be required. The completed program shall be submitted to the City prior to approval of any grading and/or improvement plan.</p>	G	CD (P)(E)(B)	The owner/applicant submitted a plan and retained Youngdahl & Associates for monitoring and testing during construction. Copies of the plan and test results are on file with Youngdahl and have been provided to the City as required by the Community Development Department prior to approval of the grading plans.	Yes

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20.	<p><i>Prepare Geotechnical Report(s) for the Off-site Water Facilities and Implement Required Measures.</i> The owner/applicant shall provide a comprehensive facility design for all proposed off-site Water Facility improvements shall comply with the site-specific design recommendations as provided by a licensed geotechnical or civil engineer. The final geotechnical and/or civil engineering report shall address and make recommendations on the following:</p> <ul style="list-style-type: none"> • site preparation; • soil bearing capacity; • appropriate sources and types of fill; • potential need for soil amendments; • road, pavement, and parking areas; • structural foundations, including retaining-wall design; • grading practices; • soil corrosion of concrete and steel; • erosion/winterization; • seismic ground shaking; • liquefaction; and • expansive/unstable soils. <p>In addition to the recommendations for the conditions listed above, the geotechnical investigation shall include subsurface testing of soil and groundwater conditions, and shall determine appropriate foundation designs that are consistent with the version of the California Building Code that is applicable at the time building and grading permits are applied for. All recommendations contained in the final geotechnical engineering report shall be implemented by the owner/applicant.</p>	G	CD (P)(E)(B)	The required off-site water system facilities to serve this subdivision have been constructed and accepted by the City. The off-site water system facilities are currently in operation and being maintained by the City. All required improvements were constructed under the direction of a licensed geotechnical engineer.	Yes

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21.	<p><i>Incorporate Pipeline Failure Contingency Measures Into Final Pipeline Design.</i> Isolation valves or similar devices shall be incorporated into all pipeline facilities to prevent substantial losses of surface water in the event of pipeline rupture, as recommended by a licensed geotechnical or civil engineer. The specifications of the isolation valves shall conform to the California Building Code and American Water Works Association (AWWA) standards.</p>	I	EWR, CD (E)	The improvement plans for all water systems have isolation valves and incorporate City design standards that allow the City to isolate portions of the City's water system in the event of failure.	Yes
22.	<p><i>Mine Shaft Remediation</i> The owner/applicant shall locate and remediate all antiquated mine shafts, drifts, open cuts, tunnels, and water conveyance or impoundment structures existing on the project site, with specific recommendations for the sealing, filling, or removal of each that meet all applicable health, safety and engineering standards. Recommendations shall be prepared by an appropriately licensed engineer or geologist. All remedial plans shall be reviewed and approved by the City prior to approval of grading plans.</p>	G	CD (E)	During the course of grading and construction for this subdivision no mine shafts or tunnels were located or discovered.	Yes
23.	<p><i>Material Storage Areas</i> The owner/applicant shall locate staging and material storage areas as far away from sensitive biological resources and sensitive land uses (e.g., residential areas, schools, parks) as feasible. Staging and material storage areas shall be screened from adjacent occupied land uses in earlier development phases to the maximum extent practicable. Screens may include, but are not limited to, the use of visual barriers such as berms or fences. Staging and material storage areas shall be shown on all grading and/or improvement plans prior to plan approval by the City.</p>	G	CD (P)(E)(B)	Construction staging areas for this subdivision were included on the grading plans approved by the Community Development Department and the staging areas are located away from biologically sensitive areas.	Yes

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24.	<p><i>Traffic and Parking Management Plan</i> Prior to the approval of the grading plan and or construction, the owner/applicant shall prepare construction traffic and parking management plan to the satisfaction of the City Traffic Engineer and subject to review by any affected agencies, if necessary. The plan shall ensure that acceptable operating conditions on local roadways and freeway facilities are maintained. Measures typically used in traffic control plans include advertising of planned lane closures, warning signage, a flag person to direct traffic flows when needed, and methods to ensure continued access by emergency vehicles. During project construction, access to existing land uses shall be maintained at all times, with detours used as necessary during road closures. At a minimum, the plan shall include the following:</p> <ul style="list-style-type: none"> • Description of trucks including number and size of trucks per day (i.e., 85 trucks per day), expected arrival/departure times, and truck circulation patterns. • Description of staging area including location, maximum number of trucks simultaneously permitted in staging area, use of traffic control personnel, and specific signage. • Description of street closures and/or bicycle and pedestrian facility closures including duration, advance warning and posted signage, safe and efficient access routes for existing businesses and emergency vehicles and use of manual traffic control. • Description of driveway access plan including provisions for safe vehicular, pedestrian, and bicycle travel, minimum distance from any open trench, special signage, and private vehicle accesses. 	G	CD (E), PW	The owner/applicant submitted a joint traffic management plan that was approved by the City Engineer and is on file at the Community Development Department.	Yes

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25.	<p><i>Prepare Traffic Control Plan.</i> Prior to construction, a Traffic Control Plan for roadways and intersections affected by construction shall be prepared. The Traffic Control Plan shall designate haul routes and comply with requirements in the encroachment permits issued by the City of Rancho Cordova, Sacramento County, and Caltrans and any other local agencies, including but not limited to the City, if applicable. The Traffic Control Plan to be prepared by the project construction contractor(s) shall, at minimum, include the following measures:</p> <ul style="list-style-type: none"> • Maintaining the maximum amount of travel lane capacity during non-construction periods, possible, and advanced notice to drivers through the provision of construction signage. • Maintaining alternate one-way traffic flow past the lay down area and site access when feasible. • Heavy trucks and other construction transport vehicles shall avoid the busiest commute hours (7 a.m. to 8 a.m. and 5 p.m. to 6 p.m. on weekdays). • A minimum 72-hour advance notice of access restrictions for residents, businesses, and local emergency response agencies. This shall include the identification of alternative routes and detours to enable for the avoidance of the immediate construction zone. • A phone number and community contact for inquiries about the schedule of the construction throughout the construction period. This information will be posted in a local newspaper, via the City's web site, or at City Hall and will be updated on a monthly basis. 	G	CD (E)	The owner/applicant submitted a traffic management plan that was approved by the City Engineer and is on file at the Community Development Department.	Yes

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26.	<p><i>Assess Pre-Off-site Water Facilities Roadway Conditions.</i> Prior to construction, the owner/applicant shall be responsible for assessing current road conditions for off-site improvement haul routes including the local access roads and develop post construction road restoration requirements. As part of the encroachment permitting process, an agreement shall be entered in to with applicable jurisdictions prior to construction that details post construction road restoration requirements. Staff with Sacramento County shall review the post construction restoration standards for each of the affected roadways. The owner/applicant shall perform roadway repairs or rehabilitation as necessary such that post construction requirements are met.</p>	G	CD (E) Sacramento County	All off-site water mains and water related improvements have been constructed within the City limits and therefore no off-site approval and/or permits from either Sacramento County or the City of Rancho Cordova were required.	Yes

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27.	<p><i>Develop and Implement a Plan to Reduce Exposure of Sensitive Receptors to Construction-Generated Toxic Air Contaminant Emissions.</i></p> <p>The owner/applicant(s) shall develop a plan to reduce the exposure of sensitive receptors to TACs generated by project construction activity. Each plan shall be developed by the owner/applicant(s) in consultation with SMAQMD. The plan shall be submitted to the City for review and approval before the approval of any grading plans.</p> <p>The plan may include such measures as scheduling activities when the residences are the least likely to be occupied, requiring equipment to be shut off when not in use, and prohibiting heavy trucks from idling for more than 3 minutes. Applicable measures shall be included in all project plans and specifications for all project phases.</p> <p>Signs shall be posted at all truck loading areas which indicate that diesel-powered trucks must be shut off when not in use for longer than 3 minutes on the premises in order to reduce idling emissions.</p> <p>The implementation and enforcement of all measures identified in each plan shall be funded by the owner/applicant for the respective phase of development.</p>	G	CD (E)	<p>The owner/applicant has obtained approval from the SMAQMD for all the proposed equipment being utilized in the grading for this subdivision prior to the commencement of grading in the Spring of 2019. There are no sensitive receptors in the vicinity of the subdivision and all the grading for the subdivision were in the boundaries of the City of Folsom.</p>	Yes

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28.	<p><i>Conduct Project-Level Diesel Particulate Matter (DPM) Screening and Implement Measures to Reduce Annual DPM to Acceptable Concentrations.</i></p> <p>Screening-level DPM assessments shall be conducted for diesel-powered pump operations proposed within 200 feet of residences or other sensitive receptors. These analyses should include exact distances between the receptors and operations and include the actual DPM emissions for the engines proposed. If the analysis shows an annual average DPM concentration from project operations at residences within 200 feet of the DPM source to be greater than 0.024 µg/m³, the engine location shall be moved to a location where the annual average DPM concentration from project emissions at the residences is less than 0.024 µg/m³. The acceptable concentration of 0.024 µg/m³ was determined using the current OEHHA cancer potency factor and methodology for diesel exhaust (OEHHA 2003). If diesel exhaust concentrations at the affected receptor would be below 0.024 µg/m³, then the cancer health risk would be less than 9.9 cancers in a million population.</p>	G	CD (E)	<p>The owner/applicant has obtained approval from the SMAQMD for all the proposed equipment being utilized in the grading for this subdivision prior to the commencement of grading in the Spring of 2019. There are no sensitive receptors (less than 200 feet from an existing residence) in the vicinity of the subdivision.</p>	Yes

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29.	<p><i>Implement Greenhouse Gas Reduction Measures during Construction.</i> Prior to approval of a grading permit, the owner/applicant(s) shall stipulate that these measures be implemented within the project notes.</p> <ol style="list-style-type: none"> 1. Construction vehicles and equipment will be properly maintained at all times in accordance with manufacturer's specifications, including proper tuning and timing of engines. Equipment maintenance records and equipment design specification data sheets shall be kept on-site during construction and demolition activities and subject to inspection by the Sacramento Metropolitan Air Quality Management District (SMAQMD). 2. Operators will turn off all construction vehicles and equipment and all delivery vehicles when not in use, and not allow idling for more than 3 minutes or for such other more restrictive time as may be required in law or regulation. 3. On-site construction vehicles and equipment will use Air Resources Board (ARB)-certified biodiesel fuel if available (a minimum of B20, or 20 percent of biodiesel) except for those with warranties that would be voided if B20 biodiesel fuel were used. Prior to issuance of grading or demolition permits, the contractor shall provide documentation to the City that verifies whether any equipment is exempt; that a biodiesel supply has been secured; and that the construction contractor is aware that the use of biodiesel is required. 	G	CD (E)(P)	The owner/applicant has included these practices and rules in the grading and improvement plans. A general note is included on the approved grading and infrastructure plans for this subdivision which addresses this condition. Compliance will be monitored through construction inspection.	Yes

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29. Cont.	4. A Solid Waste Diversion and Recycling Plan (or such other documentation to the satisfaction of the City) shall be in place that demonstrates the diversion from landfills and recycling of all nonhazardous, salvageable and re-useable wood, metal, plastic and paper products during construction and demolition activities. The Plan or other documentation shall include the name of the waste hauler, their assumed destination for all waste and recycled materials, and the procedures that will be followed to ensure implementation of this measure.				

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29. Cont.	<p>5. New stormwater facilities shall be placed along the natural drainage courses within the SPA to the extent practicable so as to mimic the natural drainage patterns. The reduction in runoff as a result of the LID configurations shall be quantified based on the runoff reduction credit system methodology described in "Stormwater Quality Design Manual for the Sacramento and South Placer Regions, Chapter 5 and Appendix D4" (SSQP 2007b) and proposed detention basins and other water quality BMPs shall be sized to handle these runoff volumes.</p> <p>6. For those areas that would be disturbed as part of the U.S. 50 interchange improvements, it is anticipated that Caltrans would coordinate with the development and implementation of the overall project SWPPP, or develop and implement its own SWPPP specific to the interchange improvements, to ensure that water quality degradation would be avoided or minimized to the maximum extent practicable.</p> <p>7. Mitigation for the off-site elements outside of the City of Folsom's jurisdictional boundaries shall be coordinated by the owner/applicant of each applicable project phase with El Dorado County and Caltrans.</p>	G	CD (E)(P)		

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30.	<p><i>Implement Additional Measures to Control Construction-Generated Greenhouse Gas Emissions</i> Prior to approval of a grading permit, the owner/applicant(s) shall obtain the most current list of greenhouse gas reduction measures that are recommended by Sacramento Metropolitan Air Quality Management District (SMAQMD) and stipulate how those measures be implemented within the project notes. The owner/ applicant(s) may submit to the City and SMAQMD a report that substantiates why specific measures are considered infeasible for construction of that particular development phase and/or at that point in time. The report, including the substantiation for not implementing particular greenhouse gas reduction measures, shall be approved by the City, in consultation with SMAQMD prior to approval of a grading permit. In addition to SMAQMD-recommended measures, construction activity shall comply with all applicable rules and regulations established by SMAQMD and California Air Resources Board.</p>	G	CD (E)(P)	The owner/applicant has included these practices and rules in the grading and improvement plans. A general note is included on the approved grading and infrastructure plans for this subdivision which addresses this condition. Compliance will be monitored through construction inspection.	Yes

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31.	<p><i>Pay Off-site Mitigation Fee to SMAQMD to Off-Set NOX Emissions Generated by Construction of Off-site Elements.</i> The off-site elements could result in construction-generated NOX emissions that exceed the SMAQMD threshold of significance, even after implementation of the SMAQMD Enhanced Exhaust Control Practices (listed in Mitigation Measure 3A.2-1a). Therefore, the owner/applicant shall pay SMAQMD an off-site mitigation fee for implementation of each off-site element in for the purpose of reducing NOX emissions to a less-than-significant level (i.e., less than 85lbs/day).</p> <p>The specific fee amounts shall be calculated when the daily construction emissions can be more accurately determined. Calculation of fees associated with each off-site element shall be conducted by the owner/applicant in consultation with SMAQMD staff before the approval of respective grading plans. The calculation of daily NOX emissions shall be based on the cost rate established by SMAQMD at the time the calculation and payment are made. Because the fee is based on the mass quantity of emissions that exceed SMAQMD's daily threshold of significance of 85lbs/day, total fees for construction of the off-site improvements would vary according to the timing and potential overlap of construction schedules for off-site elements.</p> <p>Mitigation for the off-site improvements outside of the City of Folsom's jurisdictional boundaries shall be developed by the owner/applicant of each applicable project phase in consultation with the affected oversight agency(i.es) (i.e., Sacramento County or Caltrans).</p>	G, 1	SMAQMD	<p>The owner/applicant has coordinated with and paid all required mitigation fees to the SMAQMD. The Landowners in the FPA have executed an agreement titled "Folsom Plan Area Air Quality District Fee Mitigation Agreement" with the SMAQMD which identifies the required mitigation for all the projects in the FPA. The Community Development Department verifies with the SMAQMD that the payment has been made prior to grading plan approval.</p>	Yes

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32.	<p><i>Develop and Implement a Construction NOX Reduction Plan.</i></p> <p>Consistent with SMAQMD requirements, the owner/applicant shall provide a plan for demonstrating that the heavy-duty (> 50 horsepower) off-road vehicles to be used in the construction project, including owned, leased and subcontractor vehicles, will achieve a project wide fleet-average 20% NOX reduction.</p> <p>Prior to construction, the owner/applicant's contractor shall submit to the SMAQMD a comprehensive inventory of all off-road construction equipment, equal to or greater than 50 horsepower, that will be used an aggregate of 40 or more hours during any portion of the construction. The inventory shall include the horsepower rating, engine production year, and projected hours of use or fuel throughput for each piece of equipment. The inventory shall be updated and submitted quarterly throughout the duration of the project, except that an inventory shall not be required for any 30-day period in which no construction activity occurs. At least 48 hours prior to the use of subject heavy-duty off-road equipment, the owner/applicant shall provide SMAQMD with the anticipated construction timeline including start date, and name and phone number of the project manager and on-site foreman.</p>	G, I	SMAQMD	<p>The owner/applicant provided the NOX Reduction Plan to SMAQMD prior to commencement of grading in the Spring of 2019. SMAQMD approved the plan and provided the City with a confirmation of approval prior to approval of the grading plans.</p>	Yes

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33.	<p><i>Conduct Visible Emissions Testing and if Non-Compliance, Repair Equipment Immediately.</i> The owner/applicant shall ensure that emissions from all off-road diesel-powered equipment used on the project site do not exceed 40% opacity for more than three minutes in any one hour. Any equipment found to exceed 40% opacity (or Ringelmann 2.0) shall be repaired immediately, and the City and SMAQMD shall be notified within 48 hours of identification of non-compliant equipment. A visual survey of all in-operation equipment shall be made at least monthly, and a quarterly summary of the visual survey results shall be submitted throughout the duration of the project, except that the monthly summary shall not be required for any 30-day period in which no construction activity occurs. The monthly summary shall include the quantity and type of vehicles surveyed as well as the dates of each survey.</p>	G, I	SMAQMD	The owner/applicant has provided the required reports to the SMAQMD throughout the course of grading and construction. The reports are also provided to the City. The City will monitor the grading and construction to verify compliance with this condition.	Yes
34.	The owner/applicant shall implement all applicable measures in the Sacramento Metropolitan Air Quality Management District approved Folsom Plan Area Specific Plan Air Quality Mitigation Plan.	G, I, B	SMAQMD CD (E)(P)	The owner/applicant has implemented all applicable measures required by the SMAQMD. Compliance has been monitored through City construction inspection.	Yes
35.	<p><i>Naturally Occurring Asbestos</i> Prior to the commencement of any site-disturbing activities, the owner/applicant shall demonstrate to the satisfaction of the Sacramento Metropolitan Air Quality Management District that Naturally Occurring Asbestos does not exist on site. To demonstrate the owner/applicant shall obtain the services of a California Certified Geologist to conduct a thorough site investigation of the development area per the protocol outlined in the California Geological Survey Special Report 124 to determine whether and where Naturally Occurring Asbestos is present in the soil and rock on the project site and/or areas that would be disturbed by the project. The site investigation shall include the collection of</p>	G	SMAQMD CD (E)(P)	The owner/applicant retained a Certified Geologist with Youngdahl & Associates to prepare an Air Quality Management Plan. The Air Quality Management Plan was approved by the SMAQMD prior to commencement of grading in the subdivision in the Spring of 2019.	Yes

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35. Cont.	<p>three soil and rock samples per acre to be analyzed via the California Air Resources Board 435 Method, or other acceptable method agreed upon by Sacramento Metropolitan Air Quality Management District and the City. If the investigation determines that Naturally Occurring Asbestos is not present on the project site, then the owner/applicant shall submit a Geologic Exemption to Sacramento Metropolitan Air Quality Management District as allowed under Title 17, Section 93105, Asbestos Airborne Toxic Control Measure for Construction, Grading, Quarrying, and Surface Mining (Asbestos ATCM). The owner/applicant shall submit proof of compliance with the above to the Community Development Department for review and approval prior to the commencement of any site-disturbing activities.</p> <p>If the site investigation determines that Naturally Occurring Asbestos is present on the project site, or alternatively if the owner/applicant elects to assume presence of trace Naturally Occurring Asbestos, then, prior to commencement of any ground disturbance activity, the owner/applicant shall submit to the Sacramento Metropolitan Air Quality Management District for review and approval an Asbestos Dust Mitigation Plan, including, but not limited to, control measures required by the Asbestos ATCM, such as vehicle speed limitations, application of water prior to and during ground disturbance, keeping storage piles wet or covered, and track-out prevention and removal. The owner/applicant shall submit proof of compliance with the above to the Community Development Department for review and approval prior to the commencement of any site disturbing activities.</p>				

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
35. Cont.	Upon approval of the Asbestos Dust Control Plan by the Sacramento Metropolitan Air Quality Management District, the owner/applicant shall ensure that construction contractors implement the terms of the plan throughout the construction period. If Naturally Occurring Asbestos is determined to be located on the surface of the project site, all surface soil containing Naturally Occurring Asbestos shall be replaced with clean soil or capped with another material (e.g., cinder or rubber), subject to review and approval by the City Engineer.	G	SMAQMD CD (E)(P)		
36.	<p><i>Basic Construction Emission Control Practices</i> The owner/applicant shall implement Sacramento Metropolitan Air Quality Management District's list of Basic Construction Emission Control Practices, Enhanced Fugitive Particulate Matter Dust Control Practices (listed below), and Enhanced Exhaust Control Practices or whatever mitigation measures are recommended by Sacramento Metropolitan Air Quality Management District at the time individual portions of the site undergo construction. In addition to Sacramento Metropolitan Air Quality Management District – recommended measures, construction operations shall comply with all applicable Sacramento Metropolitan Air Quality Management District rules and regulations.</p> <p>The following shall be noted on Grading Plans and building construction plans:</p> <p>Basic Construction Emission Control Practices</p> <ul style="list-style-type: none"> Water all exposed surfaces two times daily. Exposed surfaces include, but are not limited to soil piles, graded areas, unpaved parking areas, staging areas, and access roads. The owner/applicant shall not be permitted to use potable water from the City of Folsom water system for grading and/or construction while the City of Folsom is in effect. 	G, I, B	SMAQMD CD (E)(P)	The grading and improvement plan for the subdivision included the applicable notes. Additionally, monthly equipment usage and emissions were reported to the Sacramento Metropolitan Air Quality Management District. Dust control best management practices were implemented to control fugitive dust and offsite track out material.	Yes

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36. Cont.	<p>(water warning), stage 4 (water crisis), or stage 5 (water emergency) conservation stage as determined by the City and in conformance with Chapter 13.26 Water Conservation of the Folsom Municipal Code (FMC). The City may prohibit the use of potable water for grading and/or construction purposes on the project in its sole discretion regardless of the Water Conservation Stage.</p> <ul style="list-style-type: none"> Cover or maintain at least two feet of free board space on haul trucks transporting soil, sand, or other loose material on the site. Any haul trucks that would be traveling along freeways or major roadways shall be covered. 				
36. Cont.	<ul style="list-style-type: none"> Use wet power vacuum street sweepers to remove any visible track out mud or dirt onto adjacent public roads at least once a day. Use of dry power sweeping is prohibited. Limit vehicle speeds on unpaved roads to 15 miles per hour (mph). All roadways, driveways, sidewalks, parking lots to be paved should be completed as soon as possible. In addition, building foundations shall be laid as soon as possible after grading unless seeding or soil binders are used. Minimize idling time either by shutting equipment off when not in use or reducing the time of idling to 5 minutes (as required by the state airborne toxics control measure [Title 13, Section 2485 of the California Code of Regulations]). Provide clear signage that posts this requirement for workers at the entrances to the site. Maintain all construction equipment in proper working condition according to manufacturer's specifications. The equipment shall be checked by a certified mechanic and 	G, I, B	SMAQMD CD (E)(P)		

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36. Cont.	<p>determine to be running in proper condition before it is operated.</p> <p>Enhanced Fugitive Particulate Matter Dust Control Practices – Soil Disturbance Areas</p> <ul style="list-style-type: none"> • Water exposed soil with adequate frequency for continued moist soil. However, do not overwater to the extent that sediment flows off the site. • Suspend excavation, grading, and/or demolition activity when wind speeds exceed 20 mph. • Install wind breaks (e.g., plant trees, solid fencing) on windward side(s) of construction areas. • Plant vegetative ground cover (fast-germinating native grass seed) in disturbed areas as soon as possible. Water appropriately until vegetation is established. 				
36. Cont.	<p>Enhanced Fugitive Particulate Matter Dust Control Practices – Unpaved Roads</p> <ul style="list-style-type: none"> • Install wheel washers for all exiting trucks or wash off all trucks and equipment leaving the site. • Treat site accesses to a distance of 100 feet from the paved road with a 6 to 12-inch layer of wood chips, mulch, or gravel to reduce generation of road dust and road dust carryout onto public roads. • Post a publicly visible sign with the telephone number and person to contact at the construction site regarding dust complaints. This person shall respond and take corrective action within 48 hours. The phone number of Sacramento Metropolitan Air Quality Management District and the City contact person shall also be posted to ensure compliance. <p>Enhanced Exhaust Control Practices The owner/applicant shall provide a plan, for approval by the City of Folsom Community Development Department and</p>	G, I, B	SMAQMD CD (E)(P)		

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36. Cont.	Sacramento Metropolitan Air Quality Management District , demonstrating that the heavy-duty (50 horsepower [hp] or more) off road vehicles to be used in the construction project, including owned, leased, and subcontractor vehicles, will achieve a project wide fleet-average 20% NOX reduction and 45% particulate reduction compared to the most current California Air Resources Board (ARB) fleet average that exists at the time of construction. Acceptable options for reducing emissions may include use of late-model engines, low-emission diesel products, alternative fuels, engine retrofit technology, after-treatment products, and/or other options as they become available.				
36. Cont.	The owner/applicant shall submit to the City of Folsom Community Development Department and Sacramento Metropolitan Air Quality Management District a comprehensive inventory of all off-road construction equipment, equal to or greater than 50 hp, that would be used an aggregate of 40 or more hours during any portion of the construction project. The inventory shall include the horsepower rating, engine production year, and projected hours of use for each piece of equipment. The inventory shall be updated and submitted monthly throughout the duration of the project, except that an inventory shall not be required for any 30-day period in which no construction activity occurs. At least 48 hours prior to the use of heavy-duty off-road equipment, the project representative shall provide Sacramento Metropolitan Air Quality Management District with the anticipated construction timeline including start date, and name and phone number of the project manager and on-site foreman. Sacramento Metropolitan Air Quality Management District's Construction Mitigation Calculator can be used to identify an	G, I, B	SMAQMD CD (E)(P)		

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36. Cont.	<p>equipment fleet that achieves this reduction (Sacramento Metropolitan Air Quality Management District 2007a). The project shall ensure that emissions from all off-road diesel-powered equipment used on the SPA do not exceed 40% opacity for more than three minutes in any one hour. Any equipment found to exceed 40 percent opacity (or Ringelmann 2.0) shall be repaired immediately, and the City and Sacramento Metropolitan Air Quality Management District shall be notified within 48 hours of identification of non-compliant equipment. A visual survey of all in-operation equipment shall be made at least weekly, and a monthly summary of the visual survey results shall be submitted throughout the duration of the project, except that the monthly summary shall not be required for any 30-day period in which no construction activity occurs. The monthly summary shall include the quantity and type of vehicles surveyed as well as the dates of each survey. Sacramento Metropolitan Air Quality Management District staff and/or other officials may conduct periodic site inspections to determine compliance. Nothing in this mitigation measure shall supersede other Sacramento Metropolitan Air Quality Management District or state rules or regulations.</p>				
36. Cont.	<p>If at the time of grading and/or construction, Sacramento Metropolitan Air Quality Management District has adopted a regulation or new guidance applicable to construction emissions, compliance with the regulation or new guidance may completely or partially replace this mitigation if it is equal to or more effective than the mitigation contained herein, and if Sacramento Metropolitan Air Quality Management District so permits. Such a determination shall be supported by a project-level analysis and be approved by Sacramento Metropolitan Air Quality Management District.</p>	G, I, B	SMAQMD CD (E)(P)		

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37.	<p><i>Implement Fugitive Dust Control Measures and a Particulate Matter Monitoring Program during Construction.</i></p> <p>The owner/applicant shall implement fugitive dust control measures and a particulate matter monitoring program during construction. The owner/applicant shall ensure implementation of dust control measures and a particulate matter monitoring program during each phase of construction. Dust control measures may include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • minimize on-site construction vehicle speeds on unpaved surfaces; • post speed limits; • suspend grading operations when wind is sufficient to generate visible dust clouds; • pave, water, use gravel, cover, or spray a dust-control agent on all haul roads; • prohibit no open burning of vegetation during project construction; • chip or deliver vegetative material to waste-to-energy facilities; • reestablish vegetation as soon as possible after construction and maintain vegetation consistent with the parameters established in Mitigation Measure 3B.2.1a; • clean earthmoving construction equipment with water once daily and clean all haul trucks leaving the site; and • water and keep moist exposed earth surfaces, graded areas, storage piles, and haul roads as needed to prevent fugitive dust. 	G, I, B	SMAQMD CD (E)(P)	The grading and improvement plan for the subdivision included the applicable notes. Additionally, monthly equipment usage and emissions were reported to the Sacramento Metropolitan Air Quality Management District. Dust control best management practices were implemented to control fugitive dust and offsite track out material. Compliance with this condition has been monitored through construction inspection by the City.	Yes

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38.	Locate Pump Stations Away from Sensitive Receptors. New pumping stations including back-up diesel generators shall be located more than 200 feet away from sensitive receptors. Electrically powered pumps shall be used to power new pumps, to the extent practicable.	G, I, B	CD (E)(P)	There are no pump stations located in the subdivision. Therefore, this condition has been satisfied for the subdivision.	Yes
39.	Limit Construction Hours. Construction activities shall be limited to daylight hours between 7 a.m. and 7 p.m. Monday through Friday, and 9 a.m. and 5 p.m. on Saturday. No construction shall be allowed on Sundays or holidays.	G, I, B	CD (E)(P)	A general note has been added to the grading and improvement plans for this subdivision. Compliance has been monitored through construction inspection by the City.	Yes
40.	Minimize Noise from Construction Equipment and Staging. Construction equipment noise shall be minimized during project construction by muffling and shielding intakes and exhaust on construction equipment (per the manufacturer's specifications) and by shrouding or shielding impact tools, where used. The City's construction specifications shall also require that the contractor select staging areas as far as feasibly possible from sensitive receptors.	G, I, B	CD (E)(P)	A general note has been added to the grading and improvement plans for this subdivision. Compliance has been monitored through construction inspection by the City. Currently there are no sensitive receptors in the close proximity to the subdivision.	Yes
41.	Maximize the Use of Noise Barriers. Construction contractors shall locate fixed construction equipment (such as compressors and generators) and construction staging areas as far as possible from nearby residences. If feasible, noise barriers shall be used at the construction site and staging area. Temporary walls, stockpiles of excavated materials, or moveable sound barrier curtains would be appropriate in instances where construction noise would exceed 90 dBA and occur within less than 50 feet from a sensitive receptor. The final selection of noise barriers will be subject to the City's approval and shall provide a minimum 10 dBA reduction in construction noise levels.	G, I, B	CD (E)(P)	A general note has been added to the grading and improvement plans for this subdivision. Compliance has been monitored through construction inspection by the City. Currently there are no sensitive receptors less than 50 feet from the construction activity in the subdivision.	Yes

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42.	<i>Prohibit Non-Essential Noise Sources During Construction.</i> No amplified sources (e.g., stereo “boom boxes”) shall be used in the vicinity of residences during project construction.	G, I, B	CD (E)(P)	A general note has been added to the grading and improvement plans for this subdivision. Compliance has been monitored through construction inspection by the City.	Yes
43.	<i>Monitor Construction Noise and Provide a Mechanism for Filing Noise Complaints.</i> The owner/applicant shall provide an on-site complaint and enforcement manager that shall track and respond to noise complaints during grading and construction. The City shall also provide a mechanism for residents, businesses, and agencies to register complaints with the City if construction noise levels are overly intrusive or construction occurs outside the required hours.	G, I, B	CD (E)(P)	A general note has been added to the grading and improvement plans for this subdivision. Compliance has been monitored through construction inspection by the City. The owner/applicant’s construction contractor has assigned a superintendent to act as the noise complaint manager during grading and construction in this subdivision. The noise complaint superintendent is working closely to address noise from construction as it has affected existing residences in the Mangini Ranch Phase 1 development. The City and the City’s Owner’s Representative have worked with the noise complaint supervisor to address complaints from existing residences.	Yes
44.	<i>Implement Noise-Reducing Construction Practices, Prepare and Implement a Noise Control Plan, and Monitor and Record Construction Noise near Sensitive Receptors.</i> The owner/applicant shall prepare and implement a construction noise management plan. This plan shall identify specific measures to ensure compliance with the noise control measures specified below. The noise control plan shall be submitted to the City of Folsom before any noise-generating construction activity begins and shall be noted on Grading Plans and building construction plans.	G, I, B	CD (P)(E)(B)	A general note has been added to the grading and improvement plans for this subdivision. Compliance has been monitored through construction inspection by the City. The owner/applicant is in the process of relocating the rock crushing operation in Mangini Ranch Phase 1 to future Mangini Ranch Phase 2 to increase the distance to existing residences in	Yes

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44. Cont.	<p>construction shall not commence until the construction noise management plan is approved by the City of Folsom.</p> <ul style="list-style-type: none"> • Noise-generating construction operations shall be limited to the hours between 7 a.m. and 7 p.m. Monday through Friday, and between 8 a.m. and 5 p.m. on Saturdays. No construction is allowed on Sundays. These hours may be expanded to include Saturday and Sunday between 8 a.m. and 6 p.m. provided there are no sensitive receptors within 1500 feet, subject to the sole discretion of the city. • All construction equipment and equipment staging areas (including rock crushing operations) shall be located as far as possible from nearby noise-sensitive land uses. • All construction equipment shall be properly maintained and equipped with noise-reduction intake and exhaust mufflers and engine shrouds, in accordance with manufacturers' recommendations. Equipment engine shrouds shall be closed during equipment operation. • All motorized construction equipment shall be shut down when not in use to prevent idling. • Individual operations and techniques shall be replaced with quieter procedures (e.g., using welding instead of riveting, mixing concrete off-site instead of on-site). 			Mangini Ranch Phase 1.	
44. Cont.	<ul style="list-style-type: none"> • Noise-reducing enclosures shall be used around stationary noise-generating equipment (e.g., compressors and generators) as planned phases are built out and future noise sensitive receptors are located within close proximity to future construction activities. • Written notification of construction activities shall be provided to all noise-sensitive receptors located within 850 feet of construction activities. Notification shall include anticipated dates and hours during which 	G, I, B	CD (P)(E)(B)		

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44. Cont.	<p>construction activities are anticipated to occur and contact information, including a daytime telephone number, for the project representative to be contacted in the event that noise levels are deemed excessive. Recommendation to assist noise-sensitive land uses in reducing interior noise levels (e.g., closing windows and doors) shall also be included in the notification.</p> <ul style="list-style-type: none"> • To the extent feasible, acoustic barriers (e.g., lead curtains, sound barriers) shall be constructed to reduce construction-generated noise levels at affected noise-sensitive land uses. The barriers shall be designed to obstruct the line of sight between the noise-sensitive land use and on-site construction equipment. When installed properly, acoustic barriers can reduce construction noise levels by approximately 8–10 dB (EPA 1971). • When future noise sensitive uses are within close proximity to prolonged construction noise, noise-attenuating buffers such as structures, truck trailers, or soil piles shall be located between noise sources and future residences to shield sensitive receptors from construction noise. 				

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45.	<p><i>Minimize Utility Conflicts by Implementing an Underground Services Alert.</i> Underground utilities and service connections shall be identified prior to commencing any excavation work through the implementation of an Underground Services Alert (USA). The exact utility locations will be determined by hand-excavated test pits dug at locations determined and approved by the construction manager (also referred to as “pot-holing”). Temporary disruption of service may be required to allow for construction. No service on such lines would be disrupted until prior approval is received from the construction manager and the service provider.</p>	G	CD (E)	<p>A general note has been added to the plans to address this condition. Compliance has been monitored through construction inspection.</p>	Yes

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46.	<p><i>Prepare and Implement the Appropriate Grading and Erosion Control Plan.</i></p> <p>Prior to issuance of a grading permit, the owner/applicant shall retain a California Registered Civil Engineer to prepare a grading and erosion and sedimentation control plan. The grading and erosion and sedimentation control plan shall be submitted to the Community Development Department prior to issuance of a grading permit. The plan shall be consistent with the Folsom Plan Area Grading Specifications, the City's Grading Ordinance, the City's Hillside Development Guidelines, the state's NPDES permit, the FPASP preliminary grading plans and shall include the site-specific grading associated with development for all project phases.</p> <p>The plans referenced above shall include the location, implementation schedule, and maintenance schedule of all erosion and sediment control measures, a description of measures designed to control dust and stabilize the construction-site road and entrance, and a description of the location and methods of storage and disposal of construction materials. Erosion and sediment control measures could include the use of temporary detention basins, berms, swales, wattles, and silt fencing, and covering or watering of stockpiled soils to reduce wind erosion. Stabilization on steep slopes could include construction of retaining walls and reseeding with vegetation after construction. Stabilization of construction entrances to minimize track out (control dust) is commonly achieved by installing filter fabric and crushed rock to a depth of approximately 1 foot.</p> <p>The owner/applicant(s) shall ensure that the construction contractor is responsible for securing a source for transportation and deposition of excavated materials.</p>	G	CD (E)	<p>The owner/applicant has prepared an erosion and sedimentation control plan in compliance with this mitigation measure. The erosion and sedimentation control plans are included in all of the City approved grading plans in this subdivision. General notes have been added to the plans to address this condition and compliance has been monitored through construction inspection.</p>	Yes

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47.	<p><i>Erosion Control Plan</i> Prior to the approval of the final facilities design, commencement of grading and/or construction activities, the owner/applicant shall submit an erosion control plan to the City for review and approval. The plan shall identify protective measures to be taken during excavation, temporary stockpiling, any reuse or disposal, and revegetation. Specific techniques may be based upon geotechnical reports, the <u>Erosion and Sediment Control Handbook</u> of the State of California Department of Conservation and shall comply with all updated City standards.</p>	G	CD (E)	The owner/applicant has prepared an erosion and sedimentation control plan in compliance with this mitigation measure. The erosion and sedimentation control plans are included in all the City approved grading plans in this subdivision. General notes have been added to the plans to address this condition and compliance has been monitored through construction inspection.	Yes
48.	<p><i>Erosion and sedimentation control measures</i> Erosion and sedimentation control measures shall be incorporated into all grading and/or construction plans. These measures shall conform to the City of Folsom requirements and the County of Sacramento <u>Erosion and Sedimentation Control Standards and Specifications</u>-current edition and as directed by the Community Development Department.</p>	G	CD (E)	The owner/applicant has prepared an erosion and sedimentation control plan in compliance with this mitigation measure. The erosion and sedimentation control plans are included in all the City approved grading plans in this subdivision. General notes have been added to the plans to address this condition and compliance has been monitored through construction inspection.	Yes
49.	<p><i>Acquire Appropriate Regulatory Permits and Prepare and Implement Stormwater Pollution Prevention Plan (SWPPP) and Best Management Practices (BMPs).</i> The owner/applicant(s) of all projects disturbing one or more acres (including phased construction of smaller areas which are part of a larger project) shall obtain coverage under the State Water Resources Control Board's National Pollution Discharge Elimination System stormwater permit for general construction activity (Order 2009-0009-DWQ), including preparation and submittal of a project-specific Storm Water Pollution Prevention Permit at the time the Notice of Intent is</p>	G	CD (E)	The owner/applicant obtained a NPDES Stormwater Permit and prepared a project specific Storm Water Pollution Prevention Plan (SWPPP). The SWPPP includes Best Management Practices (BMP's) including but not limited to slope stabilization, inlet protections, sedimentation ponds and silt fencing. The SWPPP was provided to the City prior to grading.	Yes

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49. Cont.	<p>filed. The Storm Water Pollution Prevention Permit and other appropriate plans shall identify and specify:</p> <ul style="list-style-type: none"> • the use of an effective combination of robust erosion and sediment control BMPs and construction techniques accepted by the local jurisdictions for use in the project area at the time of construction, that shall reduce the potential for runoff and the release, mobilization, and exposure of pollutants, including legacy sources of mercury from project-related construction sites. These may include but would not be limited to temporary erosion control and soil stabilization measures, sedimentation ponds, inlet protection, perforated riser pipes, check dams, and silt fences • the implementation of approved local plans, non-stormwater management controls, permanent post-construction BMPs, and inspection and maintenance responsibilities; • the pollutants that are likely to be used during construction that could be present in stormwater drainage and non-stormwater discharges, including fuels, lubricants, and other types of materials used for equipment operation; • spill prevention and contingency measures, including measures to prevent or clean up spills of hazardous waste and of hazardous materials used for equipment operation, and emergency procedures for responding to spills; 				
49. Cont.	<ul style="list-style-type: none"> • personnel training requirements and procedures that shall be used to ensure that workers are aware of permit requirements and proper installation methods for BMPs specified in the Storm Water Pollution Prevention Permit; and 	G	CD (E)		

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49. Cont.	<ul style="list-style-type: none"> • the appropriate personnel responsible for supervisory duties related to implementation of the Storm Water Pollution Prevention Permit. <p>Where applicable, Best Management Practices identified in the Storm Water Pollution Prevention Permit shall be in place throughout all site work and construction/demolition activities and shall be used in all subsequent site development activities. Best Management Practices may include, but are not limited to, such measures as those listed below:</p> <ul style="list-style-type: none"> • Implementing temporary erosion and sediment control measures in disturbed areas to minimize discharge of sediment into nearby drainage conveyances, in compliance with state and local standards in effect at the time of construction. These measures may include silt fences, staked straw bales or wattles, sediment/silt basins and traps, geofabric, sandbag dikes, and temporary vegetation. • Establishing permanent vegetative cover to reduce erosion in areas disturbed by construction by slowing runoff velocities, trapping sediment, and enhancing filtration and transpiration. • Using drainage swales, ditches, and earth dikes to control erosion and runoff by conveying surface runoff down sloping land, intercepting and diverting runoff to a watercourse or channel, preventing sheet flow over sloped surfaces, preventing runoff accumulation at the base of a grade, and avoiding flood damage along roadways and facility infrastructure. <p>A copy of the approved Storm Water Pollution Prevention Permit shall be maintained and available at all times on the construction site.</p>				

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
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NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
50.	<p><i>Prepare and Submit Final Drainage Plans and Implement Requirements Contained in Those Plans.</i></p> <p>The owner/applicant(s) shall submit final drainage plans to the City demonstrating that off-site upstream runoff will be appropriately conveyed through the Folsom Plan Area, and that project-related on-site runoff will be appropriately conveyed and contained in detention basins or managed through other improvements (e.g., source controls, biotechnical stream stabilization) to reduce flooding and hydromodification impacts and provide water quality treatment.</p> <p>The plans shall include, but not be limited to, the following items:</p> <ul style="list-style-type: none"> • an accurate calculation of pre-project and post-project runoff scenarios, obtained using appropriate engineering methods, that accurately evaluates potential changes to runoff, including increased surface runoff; • runoff calculations for the 10-year and 100-year (0.01 AEP) storm events (and other, smaller storm events as required) shall be performed and the trunk drainage pipeline sizes confirmed based on alignments and detention facility locations finalized in the design phase; • a description of the proposed maintenance program for the on-site drainage system; • project-specific standards for installing drainage systems; • City flood control design requirements and measures designed to comply with them; Implementation of stormwater management BMPs that avoid increases in the erosive force of flows beyond a specific range of conditions needed to limit hydromodification and maintain current stream geomorphology. These Best Management Practices will be designed and constructed 	G, B	CD (E)	<p>The owner/applicant provided a preliminary drainage plan prior to approval of the Vesting Tentative Subdivision Map by the City Council. A revised analysis was provided prior to the issuance of a grading permit. The revised analysis was reviewed by the City's Consultant (Mead & Hunt) to ensure that that the proposed drainage system was consistent with Mitigation Measure 3A-9.2. The improvement plans for this subdivision and the supporting backbone improvements contain detention basins, control structures and ditch systems in accordance with the Stormwater Quality Partnership Hydromodification Management Plan and in compliance with the FPA-Storm Drain Master Plan</p>	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
50. Cont.	in accordance with the forthcoming Stormwater Quality Partnership Hydromodification Management Plan (to be adopted by the Regional Water Quality Control Board) and may include, but are not limited to, the following:				
50. Cont.	<ul style="list-style-type: none"> • Use of Low Impact Development (LID) techniques to limit increases in stormwater runoff at the point of origination (these may include, but are not limited to: surface swales; replacement of conventional impervious surfaces with pervious surfaces [e.g., porous pavement]; impervious surfaces disconnection; and trees planted to intercept stormwater); • Enlarged detention basins to minimize flow changes and changes to flow duration characteristics; • Bioengineered stream stabilization to minimize bank erosion, utilizing vegetative and rock stabilization, and inset floodplain restoration features that provide for enhancement of riparian habitat and maintenance of natural hydrologic and channel to floodplain interactions; • Minimize slope differences between any stormwater or detention facility outfall channel with the existing receiving channel gradient to reduce flow velocity; and • Minimize to the extent possible detention basin, bridge embankment, and other encroachments into the channel and floodplain corridor, and utilize open bottom box culverts to allow sediment passage on smaller drainage courses. <p>The final drainage plan shall demonstrate to the satisfaction of the City of Folsom Community Development and Public</p>	G	CD (E), PW		

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50. Cont.	Works Departments that 100-year (0.01 AEP) flood flows would be appropriately channeled and contained, such that the risk to people or damage to structures within or down gradient of the Folsom Plan Area would not occur, and that hydromodification would not be increased from pre-development levels such that existing stream geomorphology would be changed (the range of conditions should be calculated for each receiving water if feasible, or a conservative estimate should be used, e.g., an Ep of 1 ±10% or other as approved by the Sacramento Stormwater Quality Partnership and/or City of Folsom).				
51.	<p><i>Develop and Implement a BMP and Water Quality Maintenance Plan.</i></p> <p>A detailed BMP and water quality maintenance plan shall be prepared by a qualified engineer retained by the owner/applicant(s) for the project. The plan shall finalize the water quality improvements and further detail the structural and nonstructural BMPs proposed for the project. The plan shall include the elements described below.</p> <ul style="list-style-type: none"> • A quantitative hydrologic and water quality analysis of proposed conditions incorporating the proposed drainage design features. • Predevelopment and post development calculations demonstrating that the proposed water quality BMPs meet or exceed requirements established by the City of Folsom and including details regarding the size, geometry, and functional timing of storage and release pursuant to the latest edition of the "Stormwater Quality Design Manual for Sacramento and South Placer Regions" (the City's MS4NPDES permit, page 46) and El Dorado County's NPDES SWMP (County of El Dorado 2004). • Source control programs to control water quality 	G	CD (E)	The owner/applicant provided a preliminary drainage plan prior to approval of the Vesting Tentative Subdivision Map by the City Council. A revised analysis was provided prior to the issuance of a grading permit. The revised analysis was reviewed by the City's Consultant (Mead & Hunt) to ensure that that the proposed drainage system was consistent with Mitigation Measure 3A-9.2. The improvement plans for this subdivision and the supporting backbone improvements contain detention basins, control structures and ditch systems in accordance with the Stormwater Quality Partnership Hydromodification Management Plan and in compliance with the FPA-Storm Drain Master Plan	Yes

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51. Cont.	<p>pollutants on the SPA, which may include but are not limited to recycling, street sweeping, storm drain cleaning, household hazardous waste collection, waste minimization, prevention of spills and illegal dumping, and effective management of public trash collection areas.</p> <ul style="list-style-type: none"> • A pond management component for the proposed basins that shall include management and maintenance requirements for the design features and BMPs, and responsible parties for maintenance and funding. • LID control measures shall be integrated into the BMP and water quality maintenance plan. These may include, but are not limited to: <ul style="list-style-type: none"> • surface swales; • replacement of conventional impervious surfaces with pervious surfaces (e.g., porous pavement); • impervious surfaces disconnection; and • trees planted to intercept stormwater. 				

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51. Cont.	<ul style="list-style-type: none"> New stormwater facilities shall be placed along the natural drainage courses within the SPA to the extent practicable so as to mimic the natural drainage patterns. The reduction in runoff as a result of the LID configurations shall be quantified based on the runoff reduction credit system methodology described in "Stormwater Quality Design Manual for the Sacramento and South Placer Regions, Chapter 5 and Appendix D4" (SSQP 2007b) and proposed detention basins and other water quality BMPs shall be sized to handle these runoff volumes. <p>For those areas that would be disturbed as part of the U.S. 50 interchange improvements, it is anticipated that Caltrans would coordinate with the development and implementation of the overall project SWPPP, or develop and implement its own SWPPP specific to the interchange improvements, to ensure that water quality degradation would be avoided or minimized to the maximum extent practicable. Mitigation for the off-site improvements outside of the City of Folsom's jurisdictional boundaries shall be coordinated by the owner/applicant of each applicable project phase with El Dorado County and Caltrans.</p>	G	CD (E)		
52.	<p><i>Prepare and Implement a Vector Control Plan in Consultation with the Sacramento-Yolo Mosquito and Vector Control District.</i></p> <p>To ensure that the operation and design of the stormwater system, including multiple planned detention basins, is consistent with the recommendations of the Sacramento-Yolo Mosquito and Vector Control District regarding mosquito control, the owner/applicant shall prepare and implement a Vector Control Plan. This plan shall be prepared in coordination with the Sacramento-Yolo Mosquito and Vector</p>	G	CD (E) Sacramento County	A Vector Control Plan was prepared and submitted to the City for review and was approved by the City prior to approval of the grading plans for this subdivision. The plan incorporated various Best Management Practices in consultation with the Sacramento-Yolo Mosquito and Vector Control District. A copy of the Vector Control Plan is on file with the Community	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
52. Cont.	<p>Control District and shall be submitted to the City for approval prior to issuance of the grading permit for the proposed detention basins under the City's jurisdiction.</p> <p>The plan shall incorporate specific measures deemed sufficient by the City to minimize public health risks from mosquitoes, and as contained within the Sacramento-Yolo Mosquito and Vector Control District BMP Manual (Sacramento-Yolo Mosquito and Vector Control District 2008). The plan shall include, but is not limited to, the following components:</p> <ul style="list-style-type: none"> • Description of the project. • Description of detention basins and all water features and facilities that would control on-site water levels. • Goals of the plan. • Description of the water management elements and features that would be implemented, including: <ul style="list-style-type: none"> i. BMPs that would be implemented on-site; ii. public education and awareness; iii. sanitary methods used (e.g., disposal of garbage); iv. mosquito control methods used (e.g., fluctuating water levels, biological agents, pesticides, larvacides, circulating water); and v. stormwater management. 			Development Department.	
52. Cont.	<ul style="list-style-type: none"> • Long-term maintenance of the detention basins and all related facilities (e.g., specific ongoing enforceable conditions or maintenance by a homeowner's association). <p>To reduce the potential for mosquitoes to reproduce in the detention basins, the owner/applicant(s) shall coordinate with the Sacramento-Yolo Mosquito and Vector Control District to</p>	G	CD (E) Sacramento County		

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
52. Cont.	<p>identify and implement BMPs based on their potential effectiveness for the site conditions. Potential BMPs could include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • build shoreline perimeters as steep and uniform as practicable to discourage dense plant growth; • perform routine maintenance to reduce emergent plant densities to facilitate the ability of mosquito predators (i.e., fish) to move throughout vegetated area; • design distribution piping and containment basins with adequate slopes to drain fully and prevent standing water. The design slope should take into consideration buildup of sediment between maintenance periods. Compaction during grading may also be needed to avoid slumping and settling; • coordinate cleaning of catch basins, drop inlets, or storm drains with mosquito treatment operations; • enforce the prompt removal of silt screens installed during construction when no longer needed to protect water quality; • if the sump, vault, or basin is sealed against mosquitoes, with the exception of the inlet and outlet, submerge the inlet and outlet completely to reduce the available surface area of water for mosquito egg-- laying (female mosquitoes can fly through pipes); and • design structures with the appropriate pumping, piping, valves, or other necessary equipment to allow for easy dewatering of the unit if necessary (Sacramento Yolo Mosquito and Vector Control District 2008). 				

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53.	<p><i>Properly Dispose of Hydrostatic Test Water and Construction Dewatering in Accordance with the Central Valley Regional Water Quality Control Board</i></p> <p>All hydrostatic test water and construction dewatering shall be discharged to an approved land disposal area or drainage facility in accordance with Central Valley RWQCB requirements. The City or its construction contractor shall provide the Central Valley RWQCB with the location, type of discharge, and methods of treatment and monitoring for all hydrostatic test water discharges. Emphasis shall be placed on those discharges that would occur directly to surface water bodies.</p>	G	CD (E)	The owner/applicant has dewatered all hydrostatic test water to existing drainage facilities in accordance with the RWQCB requirements. Compliance with this condition has been monitored through construction inspection by the City.	Yes
54.	<p><i>State and Federal Permits</i></p> <p>The owner/applicant shall obtain all required State and Federal permits and provide evidence that said permits have been obtained, or that the permit is not required, subject to staff review prior to approval of any grading or improvement plan.</p>	G, I	CD (P)(E)	The owner/applicant has obtained all required State and Federal permits and copies are available from the Community Development Department.	Yes

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55.	<p><i>Clean Water Act Sections 401 and 404 Permits</i> Prior to the approval of grading and improvement plans and before any groundbreaking activity associated with each distinct project phase, the owner/applicant shall secure all necessary permits obtained under Sections 401 and 404 of the Clean Water Act or the State's Porter-Cologne Act and implement all permit conditions for the proposed project. All permits, regulatory approvals, and permit conditions for effects on wetland habitats shall be secured and conditions implemented before implementation of any grading activities within 250 feet of Waters of the U.S. or wetland habitats, including Waters of the State, that potentially support federally-listed species, or within 100 feet of any other Waters of the U.S. or wetland habitats, including Waters of the State. The owner/applicant shall adhere to all conditions outlined in the permits. The owner/applicant shall commit to replace, restore, or enhance on a "no net loss" basis (in accordance with United States Army Corps Of Engineers and the Central Valley Regional Water Quality Control Board) the acreage of all wetlands and other Waters of the U.S. that would be removed, lost, and/or degraded with implementation of the project. Wetland habitat shall be restored, enhanced, and/or replaced at an acreage and location and by methods agreeable to United States Army Corps Of Engineers, the Central Valley Regional Water Quality Control Board, and the City, as appropriate, depending on agency jurisdiction, and as determined during the Section 401 and Section 404 permitting processes. The boundaries of the 404 permit, including the required buffers shall be shown on the grading plans.</p> <p>All mitigation requirements to satisfy the requirements of the City and the Central Valley Regional Water Quality Control</p>	G, I	CD(P)(E) United States Army Corps. Of Engineers Central Valley Regional Water Quality Control Board	The owner/applicant obtained the 401 Certification from the Regional Water Board and the 404 individual permit and grading authorization from the U.S. Army Corps of Engineers for the Backbone improvements and project specific improvements prior to implementing ground disturbing activity. All wetland mitigation credits were purchased prior to construction and additional permit conditions were met prior to ground-breaking activities and submitted to the applicable agencies. Compliance reports are on file with the Community Development Department.	Yes

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55. Cont.	<p>Board, for impacts on the non-jurisdictional wetlands beyond the jurisdiction of United States Army Corps of Engineers, shall be determined and implemented before grading plans are approved.</p> <p>All wetland mitigation compliance reports submitted to the Army Corps of Engineers shall also be copied concurrently to the City.</p>				

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56.	<p><i>Water Quality Certification</i> A water quality certification pursuant to Section 401 of the Clean Water Act is required before issuance of the record of decision and before issuance of the Section 404 permit. Before construction in any areas containing wetland features, the owner/applicant shall obtain water quality certification for the project. Any measures required as part of the issuance of water quality certification shall be implemented pursuant to the permit conditions.</p>	G	CD (E)	The owner/applicant obtained a Section 401 Water Quality certification for the backbone and project specific improvements. All required measures, including mitigation for Waters of the State were purchased and implemented prior to construction. Required reports and proof of compliance have been submitted to all applicable agencies.	Yes

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57.	<p><i>Master Streambed Alteration Agreement</i> The owner/applicant shall amend, if necessary, and implement the original Section 1602 Master Streambed Alteration Agreement received from California Department of Fish and Wildlife for all construction activities that would occur in the bed and bank of California Department of Fish and Wildlife jurisdictional features within the project site. As outlined in the Master Streambed Alteration Agreement, the owner/applicant shall submit a Sub-notification Form (SNF) to California Department of Fish and Wildlife 60 days prior to grading and/or the commencement of construction to notify California Department of Fish and Wildlife of the project.</p> <p>Any conditions of issuance of the Master Streambed Alteration Agreement shall be implemented as part of those project construction activities that would adversely affect the bed and bank within on-site drainage channels subject to California Department of Fish and Wildlife jurisdiction. The agreement shall be executed by the owner/applicant and California Department of Fish and Wildlife before the approval of any grading or improvement plans or any construction activities in any project phase that could potentially affect the bed and bank of on-site drainage channels under California Department of Fish and Wildlife jurisdiction.</p>	G	CD(P)(E) California Department of Fish and Wildlife	A Master Streambed Alteration Agreement was issued for FPASP in Feb. 2014 that includes the Enclave at Folsom Ranch subdivision. A sub-notification for the Enclave at Folsom Ranch was submitted to CDFW and approved in 2018. Compliance of sub-notification conditions was accomplished by mitigating streambed impacts through purchase of floodplain riparian preservation credits and mitigation for loss of blackbird foraging habitat through habitat creation at the Folsom Heights Preserve.	Yes

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58.	<p><i>Restore All Waters Impacted by Trenching and Temporary Construction Staging</i> For all crossings of waters of the U.S. or State in which the use of trenchless technologies are not feasible, the City shall ensure that all waters impacted by trenching activities are restored to pre-project conditions. In addition, within 30 days following project construction, the owner/applicant shall ensure that all temporary construction staging areas within waters of the U.S. or State are restored to pre-project conditions.</p> <p>At minimum, the City shall ensure that the following measures are implemented during construction:</p> <ul style="list-style-type: none"> • Conduct trenching and construction activities across drainages during low-flow (e.g., <1 to 2 cfs) or dry periods as feasible; • If working in active channels, install cofferdam upstream and downstream of stream crossing to separate construction area from flowing waterway; • Place sediment curtains upstream and downstream of the construction zone to prevent sediment disturbed during trenching activities from being transported and deposited outside of the construction zone; • Locate spoil sites such that they do not drain directly into the drainages or seasonal wetlands; • Store equipment and materials away from the drainages and wetland areas. No debris will be deposited within 250 feet of the drainages and wetland areas; • Prepare and implement a revegetation plan to restore vegetation in all temporarily disturbed wetlands and other waters using native species seed mixes and container plant material that are appropriate for existing hydrological conditions. 	G	CD (E)	Grading and construction in the Enclave at Folsom Ranch subdivision does not require the crossing of any permanent streams. The intermittent drainage swales in the vicinity of the subdivision that carry storm runoff are dry most of the year except during storm events. In addition, the intermittent drainage swales within the boundaries of the subdivision are not required to be preserved in accordance with the U. S. Army Corps of Engineers (USACE) Permit for the subdivision.	Yes

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58. Cont.	<p>Prior to the approval of grading and improvement plans and before any groundbreaking activity associated with grading and construction requiring fill of wetlands or other waters of the U.S. or waters of the state, the owner/applicant shall submit a wetland mitigation and monitoring plan (MMP) for the restoration of these waters within the selected water alignment to the US Army Corps of Engineers (USACE) and Central Valley Regional Water Quality Control Board (RWQCB) for review and approval of those portions of the plan over which they have jurisdiction. The Mitigation and Monitoring Plan (MMP) would have to be approved prior to issuance of a Section 404 permit. Once the final MMP is approved and implemented, mitigation monitoring shall continue for a minimum of 5 years from completion of restoration activities, or human intervention (including recontouring and grading), or until the performance standards identified in the approved MMP have been met, whichever is longer.</p> <p>At minimum, the MMP shall provide the following information:</p> <ul style="list-style-type: none"> • A description and drawings showing the existing contours (elevation) and existing vegetation of the waters of the U.S. and State that would be impacted through trenching activities. This information shall include site photographs taken at each impacted water. • Methods used to ensure that trenching within waters of the U.S. and State do not adversely alter existing hydrology, including the draining of the waters (e.g., use of cut-off walls). • The methods used to restore the site to the original contour and condition, as well as a plan for the revegetation of the site following installation of the 	G	CD (E)		

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58. Cont.	improvements. <ul style="list-style-type: none"> • Proposed schedule for restoration activities 				
59.	<p><i>100 Year Flood Plain Boundary</i> The owner/applicant shall be required to include the existing 100-year floodplain boundary (flood hazard area) on all grading and/or improvements plans prior to approval of the grading and/or improvement plans by the City. For any portion of the proposed project that lies within the designated flood hazard area, no development shall be approved until appropriate measures are taken to remove the area from the flood zone. These measures include the following:</p> <ul style="list-style-type: none"> • The lowest finished floor elevation of all proposed structures shall be a minimum of two (2) feet above the 100-year floodplain elevation in accordance with the City Floodplain Ordinance. The owner/applicant shall provide for review and approval by the City, information delineating the 100-year floodplain elevation under the worst case of either the interim or the ultimate condition for the upstream watershed. The existing and proposed 100-year floodplain shall be shown on the grading and/or improvement plans. • An elevation certification shall be required prior to issuance of any building permit demonstrating compliance with the above requirement. • A completed application for a Conditional Letter of Map Revision (CLOMR) shall be submitted to the City for submission to the Federal Emergency Management Agency (FEMA). Prior to approval of the improvement plans by the City, the owner/applicant shall submit the approved CLOMR to the City. • Within four (4) months following completion of grading operations, a completed application for a Letter of Map 	G, I	CD (E), PW	The owner/applicant has included the 100-year floodplain boundary on the grading plans for the proposed water quality/hydro-modification basin on the east side of East Bidwell Street. The grading plans were reviewed and approved by the City prior to commencement of grading in the Spring of 2019. There are no 100-year floodplains located within the boundaries of the Enclave at Folsom Ranch subdivision.	Yes

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59. Cont.	Revision (LOMR) shall be submitted by the owner/applicant to the City for submission to FEMA. The City shall have received the completed LOMR from FEMA prior to issuance of a certificate of occupancy on any structure.				

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
60.	Prior to issuance of a grading permit or a building permit, the owner/applicant shall deposit with the City sufficient funds to complete the CLOMR/LOMR process as determined by the City. Said funds may be drawn upon by the City to complete the CLOMR/LOMR process in the event the owner/applicant fails to do so in accordance with the time constraints established above. Any funds remaining after completion of the CLOMR/LOMR process will be refunded to the owner/applicant subject to prior approval of the City.	G, I	CD (E), PW	The grading and construction of the improvements for The Enclave at Folsom Ranch subdivision did not impact any existing 100-year floodplain boundary and therefore there is no requirement for the subdivision to process either a CLOMR or LOMR with the City and FEMA.	Yes

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WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
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TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
61.	<p><i>Swainson's Hawk Nesting Habitat</i> A qualified biologist shall be retained by the owner/applicant to conduct preconstruction surveys and to identify active Swainson's Hawk nests on and within 0.5-mile of the project area. The surveys shall be conducted before the approval of grading and/or improvement plans (as applicable) and no less than 14 days and no more than 30 days before the beginning of grading and construction. To the extent feasible, guidelines provided in <i>Recommended Timing and Methodology for Swainson's Hawk Nesting Surveys in the Central Valley (Swainson's Hawk Technical Advisory Committee 2000)</i> shall be followed for surveys for Swainson's hawk. If no nests are found, no further mitigation is required.</p> <p>If active nests are found, impacts on nesting Swainson's Hawks shall be avoided by establishing appropriate buffers around the nests. No project activity shall commence within the buffer area until the young have fledged, the nest is no longer active, or until a qualified biologist has determined in coordination with California Department of Fish and Wildlife that reducing the buffer would not result in nest abandonment. California Department of Fish and Wildlife guidelines recommend implementation of 0.25- or 0.5-mile-wide buffers, but the size of the buffer may be adjusted if a qualified biologist and the City, in consultation with California Department of Fish and Wildlife, determine that such an adjustment would not be likely to adversely affect the nest. Monitoring of the nest by a qualified biologist during and after construction activities will be required if the activity has potential to adversely affect the nest.</p>	G	CD(P)(E) California Department of Fish and Wildlife	ECORP Consulting, Inc. conducted preconstruction surveys for Swainson's hawks. No active nests were observed during the surveys. Survey results were submitted to CDFW and the City prior to commencement of grading in the Enclave at Folsom Ranch subdivision.	Yes
62.	<p><i>Swainson's Hawk Habitat</i> Prior to the approval of grading and improvement plans, or before any ground-disturbing activities, whichever occurs</p>	G	CD (P) California Department of	The owner has secured and recorded a Conservation Easement on a City approved Swainson's hawk foraging habitat	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
62. Cont.	<p>first, the owner/applicant shall secure suitable Swainson's Hawk foraging habitat to ensure appropriate mitigation of habitat value for Swainson's Hawk foraging habitat that is permanently lost as a result of the project, as determined by the City after consultation with California Department of Fish and Wildlife and a qualified biologist.</p> <p>The habitat value or shall be based on Swainson's Hawk nesting distribution and an assessment of habitat quality, availability, and use within the project area. The mitigation ratio shall be consistent with the 1994 DFG Swainson's Hawk Guidelines included in the Staff Report Regarding Mitigation for Impacts to Swainson's Hawks (<i>Buteo Swainsoni</i>) in the Central Valley of California. If such mitigation shall be accomplished through purchase of credits at an approved mitigation bank, the transfer of fee title, or perpetual conservation easement, the ratio for habitat value shall be 0.5:1. If non-bank mitigation is proposed, the mitigation land shall be located within the known foraging area and within Sacramento County and the habitat value shall be 1:1. The City, after consultation with California Department of Fish and Wildlife, will determine the appropriateness of the mitigation land.</p> <p>The owner/applicant shall transfer said Swainson's Hawk mitigation land, through either conservation easement or fee title, to a third-party, nonprofit conservation organization (Conservation Operator), with the City and California Department of Fish and Wildlife named as third-party beneficiaries. The Conservation Operator shall be a qualified conservation easement land manager that manages land as its primary function. Additionally, the Conservation Operator shall be a tax-exempt nonprofit conservation organization that</p>		Fish and Wildlife	mitigation site in Sacramento County. The foraging site was approved in advance by the CDFW. A copy of the recorded easement is on file with the Community Development Department.	

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
62. Cont	meets the criteria of Civil Code Section 815.3(a) and shall be selected or approved by the City, after consultation with California Department of Fish and Wildlife. After consultation with California Department of Fish and Wildlife and the Conservation Operator, the City shall approve the content and form				
62. Cont.	<p>of the conservation easement. The City, California Department of Fish and Wildlife, and the Conservation Operator shall each have the power to enforce the terms of the conservation easement. The Conservation Operator shall monitor the easement in perpetuity to assure compliance with the terms of the easement.</p> <p>After consultation with the City, The owner/applicant, California Department of Fish and Wildlife, and the Conservation Operator, shall establish an endowment or some other financial mechanism that is sufficient to fund in perpetuity the operation, maintenance, management, and enforcement of the conservation easement. If an endowment is used, either the endowment funds shall be submitted to the City for impacts on lands within the City's jurisdiction to an appropriate third-party nonprofit conservation agency, or they shall be submitted directly to the third-party nonprofit conservation agency in exchange for an agreement to manage and maintain the lands in perpetuity. The Conservation Operator shall not sell, lease, or transfer any interest of any conservation easement or mitigation land it acquires without prior written approval of the City and California Department of Fish and Wildlife.</p> <p>If the Conservation Operator ceases to exist, the duty to hold, administer, manage, maintain, and enforce the interest shall be transferred to another entity acceptable to the City and</p>	G	CD(P)(E) California Department of Fish and Wildlife		

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
62. Cont.	California Department of Fish and Wildlife. The City Planning Department shall ensure that mitigation habitat established for impacts on habitat within the City's planning area is properly established and is functioning as habitat by conducting regular monitoring of the mitigation site(s) for the first ten years after establishment of the easement.				
63.	<p><i>Burrowing Owl</i> A qualified biologist shall be retained by the owner/applicant to conduct a preconstruction survey to identify active Burrowing Owl burrows within the project area. The surveys shall be conducted no less than 14 days and no more than 30 days before the beginning of grading and construction activities for each phase of development. The preconstruction survey shall follow the protocols outlined in the Staff Report on Burrowing Owl Mitigation (CDFG 2012).</p> <p>If active burrows are found, a mitigation plan shall be submitted to the City for review and approval before any ground-disturbing activities. The City shall consult with California Department of Fish and Wildlife. The mitigation plan may consist of installation of one-way doors on all burrows to allow owls to exit, but not reenter, and construction of artificial burrows within the project vicinity, as needed; however, burrowing owl exclusions may only be used if a qualified biologist verifies that the burrow does not contain eggs or dependent young. If active burrows contain eggs and/or young, no construction shall occur within 50 feet of the burrow until young have fledged. Once it is confirmed that there are no owls inside burrows, these burrows may be collapsed.</p>	G	CD(P)(E) California Department of Fish and Wildlife	ECORP Consulting, Inc. conducted preconstruction nesting raptor surveys, including burrowing owls. No burrowing owl nesting activity was observed during any of the surveys. Results of the surveys were submitted to the CDFW and the City prior to commencement of grading in the Enclave at Folsom Ranch subdivision.	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
64.	<p><i>Nesting Raptors</i> To mitigate impacts on nesting raptors, a qualified biologist shall be retained by the owner/applicant to conduct a preconstruction survey to identify active nests on and within 0.5 miles of the project area. The surveys shall be conducted no less than 14 days and no more than 30 days before the beginning of construction activities for each phase of development</p> <p>If active nests are found, impacts on nesting raptors shall be avoided by establishing appropriate buffers around the nests. No project activity shall commence within the buffer area until the young have fledged, the nest is no longer active, or until a qualified biologist has determined in coordination with California Department of Fish and Wildlife that reducing the buffer would not result in nest abandonment. The buffer may be adjusted if a qualified biologist and the City, in consultation with California Department of Fish and Wildlife, determine that such an adjustment would not be likely to adversely affect the nest. Monitoring of the nest by a qualified biologist during and after construction activities will be required if the activity has potential to adversely affect the nest.</p>	G	CD(P)(E) California Department of Fish and Wildlife	ECORP Consulting, Inc. conducted preconstruction nesting raptor survey. An active Red-Tailed Hawk nest was observed in the vicinity of the subdivision during the survey. The owner/applicant coordinated with the California Department of Wildlife (CDFW) and established an acceptable buffer area in the vicinity of the active nest. The owner/applicants Qualified Biologist provided monitoring of the nest until such time the fledglings vacated the nest in August of 2019. The survey and monitoring results were submitted to CDFW. Upon CDFW approval, grading and construction in the vicinity of the nest was allowed to proceed in accordance with the CFDW approval.	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
65.	<p><i>Avoid and Minimize Impacts to Tricolored Blackbird Nesting Colonies.</i></p> <p>To avoid and minimize impacts to tricolored blackbird, the owner/applicant of all project phases shall conduct a preconstruction survey for any project activity that would occur during the tricolored blackbird's nesting season (March 1–August 31). The preconstruction survey shall be conducted by a qualified biologist before any activity occurring within 500 feet of suitable nesting habitat, including freshwater marsh and areas of riparian scrub vegetation. The survey shall be conducted within 14 days before project activity begins.</p> <p>If no tricolored blackbird colony is present, no further mitigation is required. If a colony is found, the qualified biologist shall establish a buffer around the nesting colony. No project activity shall commence within the buffer area until a qualified biologist confirms that the colony is no longer active. The size of the buffer shall be determined in consultation with DFG. Buffer size is anticipated to range from 100 to 500 feet, depending on the nature of the project activity, the extent of existing disturbance in the area, and other relevant circumstances.</p> <p>Mitigation for the off-site elements outside of the City of Folsom's jurisdictional boundaries (i.e., U.S. 50 interchange improvements) must be developed by the owner/applicant of each applicable project phase in consultation with the affected oversight agency(ies) (i.e., Caltrans) and must be sufficient to achieve the performance criteria described above.</p>	G	CD(P)(E) California Department of Fish and Wildlife	ECORP Consulting, Inc. conducted preconstruction nesting bird surveys for tricolored blackbird. No tricolored blackbird nesting colonies were observed during these surveys. Survey results were submitted to CDFW and the City prior to commencement of grading in the Enclave at Folsom Ranch subdivision.	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
66.	<p><i>Other Nesting Special-Status and Migratory Birds</i> The owner/applicant shall retain a qualified biologist to conduct a preconstruction survey for any project activity that would occur in suitable nesting habitat during the avian nesting season (approximately March 1–August 31).The preconstruction survey shall be conducted within 14 days before any activity occurring within 100 feet of suitable nesting habitat. Suitable habitat includes annual grassland, valley needlegrass grassland, freshwater seep, vernal pool, seasonal wetland, and intermittent drainage habitat within the project site.</p> <p>If no active special-status or other migratory bird nests are present, no further mitigation is required. If an active nest is found, the qualified biologist shall establish a buffer around the nest. No project activity shall commence within the buffer area until a qualified biologist confirms that the nest is no longer active. The size of the buffer shall be determined in consultation with California Department of Fish and Wildlife. Buffer size is anticipated to range from 50 to 100 feet, depending on the nature of the project activity, the extent of existing disturbance in the area, and other relevant circumstances.</p>	G	CD(P)(E) California Department of Fish and Wildlife	ECORP Consulting, Inc. conducted preconstruction nesting bird surveys within the project area. No nesting birds other than the active Red-Tailed Hawk nest were located during the preconstruction survey. Surveys were submitted to CDFW prior to the commencement of grading in the subdivision.	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
67.	<p>Valley Needlegrass The project shall preserve a total of 1.503 acres of Valley needlegrass grassland within the on-site Open Space areas. This includes 1.164 acres of Valley needlegrass grassland permanently protected in the Conservation Area and 0.339 acre protected in the Passive Recreation Open Space. Both of these types of Open Space will ultimately be managed by the City of Folsom under an approved Operations and Management Plan for the FPASP.</p> <p>Prior to ground-breaking activities including grading or construction, the owner/applicant, shall protect the existing Valley needlegrass grassland populations by a highly visible construction fence for avoidance during grading. Once construction is complete, graded areas within the Passive Recreation Open Space shall be restored to natural grassland conditions. These areas shall be seeded with a native seed mix which includes a majority of needlegrass species to ensure the establishment of additional areas of Valley needlegrass grasslands on site.</p>	G	CD(P)(E) California Department of Fish and Wildlife	The owner/applicant provided confirmation from a biological consultant that the Valley Needlegrass mitigation had been satisfied. Valley Needlegrass was transplanted from this subdivision to other open space areas in the FPA in accordance with the mitigation measure. The summary report is on file with the Community Development Department	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
68.	<p><i>Animal Barrier</i> To discourage the migration of undesirable small animals (including snakes) into adjacent developed properties during the development of the project, the owner/applicant shall install a barrier along all areas adjacent to developed residential properties and parks to the satisfaction of the Community Development Department and consistent with a qualified biologist's recommendations. In general, the barrier may consist of wire-mesh fabric with openings not exceeding ½-inch width. The height of the barrier shall be at least 18 inches (above the ground surface), and may be buried into the ground at least twelve inches. The barrier shall be supported with metal stakes at no more than 10-foot spacing. The barrier shall be installed by the owner/applicant, as approved by the Community Development Department and a qualified biologist, prior to any construction disturbance on the site, including clearing and grading operations.</p>	G	CD (E)(P)	<p>There are no developed properties along the boundaries of the subdivision. Therefore, this condition does not apply to the subdivision.</p>	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
69.	<p><i>Conduct Construction Worker Awareness Training, Conduct On-Site Monitoring if Required, Stop Work if Cultural Resources are Discovered, Assess the Significance of the Find, and Perform Treatment or Avoidance as Required.</i></p> <p>The owner/applicant(s) shall retain a qualified archaeologist to prepare and disseminate a contractor awareness training program for all construction supervisors. The sensitivity training program will provide information about notification procedures when potential archaeological material is discovered, procedures for coordination between construction personnel and information about other treatment or issues that may arise if cultural resources (including human remains) are discovered during project construction. The training shall be carried out each time a new contractor will begin work in the project area, and a minimum of once at the start of each construction season by that contractor. The qualified archeologist shall submit the completed training attendance roster and a copy of the training materials to the City and the USACE within 48 hours of delivery of the training program.</p>	G	CD (E) USACE	The owner/applicant retained a qualified archeologist and provided Workers Awareness Training to all new construction personnel. A copy of the training video and attendance records are available from the Community Development Department.	Yes
70.	<p><i>Suspend Ground-Disturbing Activities if Human Remains are Encountered and Comply with California Health and Safety Code Procedures.</i></p> <p>In the event that human remains are discovered, construction activities within 150 feet of the discovery shall be halted or diverted and the requirements for managing unanticipated discoveries in Mitigation Measure 4.4-2(a) shall be implemented. In addition, the provisions of Section 7050.5 of the California Health and Safety Code, Section 5097.98 of the California Public Resources Code, and Assembly Bill 2641 shall be implemented. When human remains are discovered, state law requires that the discovery be reported to the County Coroner (Section 7050.5 of the Health and Safety Code) and</p>	OG	CD (P)(E) Sacramento County Coroner Native American Heritage Commission	No human remains were discovered during the course of grading and construction.	Yes

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70. Cont.	<p>that reasonable protection measures be taken during construction to protect the discovery from disturbance (AB 2641).</p> <p>If the Coroner determines the remains are Native American, the Coroner shall notify the Native American Heritage Commission (NAHC), which then designates a Native American Most Likely Descendant for the project (Section 5097.98 of the Public Resources Code). The designated Native American Most Likely Descendant then has 48 hours from the time access to the property is granted to make recommendations concerning treatment of the remains (AB 2641).</p> <p>If the owner/applicant does not agree with the recommendations of the Native American Most Likely Descendant, the NAHC can mediate (Section 5097.94 of the Public Resources Code). If no agreement is reached, the owner/applicant shall rebury the remains where they will not be further disturbed (Section 5097.98 of the Public Resources Code). This will also include either recording the site with the NAHC or the appropriate Information Center; using an open space or conservation zoning designation or easement; or recording a deed restriction with the county in which the property is located (AB 2641).</p>				

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71.	<p><i>Conduct Construction Worker Awareness Training, Stop Work if Paleontological Resources are Discovered, Assess the Significance of the Find, and Prepare and Implement a Recovery Plan as Required.</i></p> <p>Before the start of any earthmoving activities, the owner/applicant shall retain a qualified professional to train all construction personnel involved with earthmoving activities, including the site superintendent, regarding the possibility of encountering fossils, the appearance and types of fossils likely to be seen during construction, and proper notification procedures should fossils be encountered. The training shall be included in the archaeological contractor awareness training program.</p> <p>If paleontological resources are discovered during earthmoving activities, the construction crew shall immediately cease work in the vicinity of the find and notify the City of Folsom's Community Development Department. The owner/applicant shall retain a qualified paleontologist to evaluate the resource and prepare a recovery plan in accordance with Society of Vertebrate Paleontology guidelines (1996). The recovery plan may include, but is not limited to, a field survey, construction monitoring, sampling and data recovery procedures, museum storage coordination for any specimen recovered, and a report of findings. Recommendations in the recovery plan that are determined by the lead agency to be necessary and feasible shall be implemented before construction activities can resume at the site where the paleontological resources were discovered.</p>	G	CD (E)(P)	No cultural materials were discovered during ground-disturbing activities.	Yes

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72.	<p><i>Geoarcheological Monitoring</i> In the event that any grading will occur within areas determined to require geoarcheological monitoring, the owner/applicant shall retain a qualified professional geoarcheologist who has a graduate degree in the specialized discipline, possesses a demonstrated ability to carry research to completion, and has at least 24 months of professional experience and/or specialized training in geoarcheology. The geoarcheologist shall monitor the ground disturbing activities in the affected areas down to 1.5 meters below the surface. The monitoring geoarcheologist shall submit proof of monitoring in the form of daily field monitoring logs to the City and the US Army Corps of Engineers within 48 hours of completion of monitoring activities.</p>	G	CD (E)(P)	The owner/applicant retained a qualified geoarchaeologist to monitor the ground-disturbing activities subject to the monitoring requirement. Monitoring was carried out in March 2019 and no buried cultural resources were identified. The monitoring report was submitted to the USACE in March 2019 and a copy is on file with the City. In the event that additional ground disturbing activities occur within the areas subject to monitoring, the owner/applicant will retain a qualified geoarchaeologist to carry out monitoring.	Yes
73.	<p><i>Transport, Store, and Handle Construction-Related Hazardous Materials in Compliance with Relevant Regulations and Guidelines.</i> The City shall ensure, through the enforcement of contractual obligations, that all contractors transport, store, and handle construction-related hazardous materials in a manner consistent with relevant regulations and guidelines, including those recommended and enforced by Caltrans, Central Valley RWQCB, local fire departments, and the County environmental health department.</p> <p>Recommendations shall include as appropriate transporting and storing materials in appropriate and approved containers, maintaining required clearances, and handling materials using applicable Federal, state and/or local regulatory agency protocols. In addition, all precautions required by the Central Valley RWQCB-issued NPDES construction activity stormwater permits shall be taken to ensure that no hazardous materials enter any nearby waterways.</p>	G	CD (E)(P)	The owner/applicant has executed various construction contracts with contractors performing grading and construction in the subdivision that include the required provisions for the handling of any hazardous materials. The owner/applicant and the contractors are bound by the language in these executed contracts. Compliance with this condition has been monitored through construction inspection throughout the course of grading and construction.	Yes

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73. Cont.	<p>In the event of a spill, the City shall ensure, through the enforcement of contractual obligations, that all contractors immediately control the source of any leak and immediately contain any spill utilizing appropriate spill containment and countermeasures. If required by the local fire departments, the local environmental health department, or any other regulatory agency, contaminated media shall be collected and disposed of at an off-site facility approved to accept such media.</p> <p>The storage, handling, and use of the construction-related hazardous materials shall be in accordance with applicable Federal, state, and local laws. Construction-related hazardous materials and hazardous wastes (e.g., fuels and waste oils) shall be stored away from stream channels and steep banks to prevent these materials from entering surface waters in the event of an accidental release. These materials shall be kept at sufficient distance (at least 500 feet) from nearby residences or other sensitive land uses. This includes materials stored for expected use, materials in equipment and vehicles, and waste materials.</p>				
74.	<p><i>Landslide /Slope Failure</i> The owner/applicant shall retain an appropriately licensed engineer during the grading activities to identify existing landslides and potential slope failure hazards. The said engineer shall be notified a minimum of two days prior to any site clearing or grading to facilitate meetings with the grading contractor in the field.</p>	G	CD (E) PW	The owner/applicant has retained Youngdahl & Associates for monitoring and testing during grading and construction. Youngdahl & Associates will implement any required mitigation measures in the event that any slope failure hazards are identified. There have been no slope hazards identified thus far during grading in the subdivision.	Yes

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75.	<p><i>Minimize Utility Conflicts by Implementing an Underground Services Alert.</i> Underground utilities and service connections shall be identified prior to commencing any excavation work through the implementation of an Underground Services Alert (USA). The exact utility locations will be determined by hand-excavated test pits dug at locations determined and approved by the construction manager (also referred to as “pot-holing”). Temporary disruption of service may be required to allow for construction. No service on such lines would be disrupted until prior approval is received from the construction manager and the service provider.</p>	G	CD (E) PW	There are general notes on all approved grading and improvement plans that requires the contractor to notify Underground Service Alert at least 48 hours in advance of any excavation. Compliance with this condition is verified through construction inspection by the City.	Yes
76.	<p><i>Coordinate with Utility Providers and Implement Appropriate Installation Methods to Minimize Potential Utility Service Disruptions.</i> Prior to installation, the City shall consult with SCWA, SRCSD, CSD-1, and PG&E to determine proper installation methods and final design criteria to minimize the potential for disruptions to existing and planned utilities.</p>	G	CD (E) PW	The owner/applicant has consulted with all of the various public utilities (i.e. SMUD, PG & E, etc.) for the design and construction of the subdivision. Each of the public utilities have coordinated the construction such that there will be no disruption of service to existing residents during the grading and construction of the improvements in the subdivision.	Yes

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TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
77.	<p><i>Improvement Plans</i> The improvement plans for the required public and private subdivision improvements necessary to serve any and all phases of development shall be reviewed and approved by the Community Development Department prior to approval of a Final Map.</p>	M	CD (E)	The grading and improvement plans for the subdivision have been reviewed and approved by the City and are currently under construction by the owner/applicant.	Yes
78.	<p><i>Inspect and Evaluate Existing Dams Within and Upstream of the Project Site and Make Improvements if Necessary.</i> Prior to submittal to the City of tentative maps or improvement plans the owner/applicants shall conduct studies to determine the extent of inundation in the case of dam failure. If the studies determine potential exposure of people or structures to a significant risk of flooding as a result of the failure of a dam, the owner/applicants shall implement of any feasible recommendations provided in that study, potentially through drainage improvements, subject to the approval of the City.</p>	I	CD (P)(E)	There are no existing dams either within or upstream of the subdivision that would require improvements. The condition is therefore not applicable to the subdivision.	Yes
79.	<p><i>Standard Construction Specifications and Details</i> Public and private improvements, including roadways, curbs, gutters, sidewalks, bicycle lanes and trails, streetlights, underground infrastructure and all other improvements shall be provided in accordance with the latest edition of the City of Folsom <i>Standard Construction Specifications and Details</i> and the <i>Design and Procedures Manual and Improvement Standards</i>.</p>	I	CD (P)(E)	There is a general note on all grading improvement plans in the subdivision that addresses this condition. Compliance has been monitored through construction inspection by the City.	Yes

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80.	<p><i>Water and Sewer Infrastructure</i> All publicly owned water and sewer infrastructure shall be placed within the street right of way. In the event that a public water or sewer main needs to be placed in an area other than the public right of way, such as through an open space corridor, landscaped area, etc., the following criteria must be met;</p> <ul style="list-style-type: none"> • The owner/applicant shall provide public sewer and water main easements • An access road shall be designed and constructed to allow for the operations, maintenance and replacement of the public water or sewer line along the entire water and/or sewer line alignment. • In no case shall a public water or public sewer line be placed on private residential property. • The domestic water and irrigation system shall be separately metered per City of Folsom <u><i>Standard Construction Specifications and Details.</i></u> 	I	CD (E)	All publicly owned and maintained water and sewer infrastructure to serve the subdivision will be placed within the public street right of-way or within a public water or sewer easement in accordance with this condition. All required public rights of way and public easements are shown on the Final Map for this subdivision.	Yes
81.	<p><i>Proposed Improvements on Adjoining Properties Not Owned by the Owner/Applicant</i> The owner/applicant shall include all record information for rights of entry, easements, temporary and permanent construction easements, slope easements, etc. for all proposed improvements on adjoining properties not owned by the owner/applicant and impacted by the owner/applicants improvements. The record information and the recorded boundaries of all work on adjoining properties shall be included on all grading and/or improvement plans prior to plan approval.</p>	G, I	CD (E)	The owner/applicant has executed rights-of-entry with all adjoining property owners where grading will occur for the subdivision. The fully executed rights-of-entry are shown on the approved improvement plans and are on file with the Community Development Department.	Yes

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82.	<p><i>SPTC-JPA Approval</i> The owner/applicant shall cooperate with the City to obtain written approval from both the Sacramento Placerville Transportation Corridor-Joint Powers Authority (SPTC-JPA) and the Public Utilities Commission (PUC) for any proposed crossing(s) of work within the existing JPA corridor which parallels Old Placerville Road. The owner/applicant shall provide written approval from both the SPTC-JPA and as required by the PUC to the City prior to approval of grading and/or improvement plans. The owner applicant shall provide all encroachment permits from the SPTC-JPA and PUC as necessary.</p>	I	CD (E)	<p>The required on-site and off-site improvements for this subdivision do not encroach into the existing SPTC-JPA Corridor adjoining Placerville Road. Therefore this condition does not apply to this subdivision.</p>	Yes

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83.	<p>Lighting Plan The owner/applicant of all project phases shall submit a lighting plan for the project to the Community Development Department. The lighting plan shall be consistent with the Enclave at Folsom Ranch Design Guidelines:</p> <ul style="list-style-type: none"> • shield or screen lighting fixtures to direct the light downward and prevent light spill on adjacent properties; • place and shield or screen flood and area lighting needed for construction activities, nighttime sporting activities, and/or security so as not to disturb adjacent residential areas and passing motorists; • for public lighting in residential neighborhoods, prohibit the use of light fixtures that are of unusually high intensity or that blink or flash; • use appropriate building materials (such as low-glare glass, low-glare building glaze or finish, neutral, earthtoned colored paint and roofing materials), shielded or screened lighting, and appropriate signage in the office/commercial areas to prevent light and glare from adversely affecting motorists on nearby roadways; and • design exterior on-site lighting as an integral part of the building and landscaping design in the Specific Plan Area. Lighting fixtures shall be architecturally consistent with the overall site design. Lights used on signage should be directed to light only the sign face with no off site glare. 	I	CD (P)	The owner/applicant submitted a Lighting Plan for all backbone roadways and subdivisions in accordance with the Design Guidelines and City Standards for Street Lighting. The Lighting Plan was reviewed and approved by the City prior to improvement plan approval. A copy of the lighting plans are available at the Community Development Department.	Yes

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84.	<p><i>Above Ground Utility Site Design Review Application</i> The owner/applicant shall submit a Site Design Review Application for all above ground utility installations (water tanks, booster pumps stations, etc.) to the Community Development Department to ensure these facilities are adequately screened. These above ground utility installations shall be designed to be adequately screened and/or blended into the hillsides through use of berming, landscaping or through the use of walls or fences to the satisfaction of the Community Development Department.</p>	G, I	CD (P)(E) EWR	The landowners in the Folsom Plan Area obtained Site Design review approval by the City for the above ground Phase 1 backbone infrastructure facilities that have been completed and accepted by the City. These facilities are currently being operated and maintained by the City.	Yes
85.	<p><i>Utility Coordination</i> The owner/applicant shall coordinate the planning, development and completion of this project with the various utility agencies (i.e., SMUD, PG&E, etc.). The owner/applicant shall provide the City with written confirmation of public utility service prior to approval of all final maps.</p>	I	CD (P)(E)	The owner/applicant has coordinated with all public utilities that will provide service to the subdivision. Bonding for the construction of the joint trench facilities to serve this subdivision are provided in the subdivision improvement agreement for this subdivision.	Yes
86.	<p><i>Implement Corrosion Protection Measures.</i> The owner/applicant shall be required to provide that all underground metallic fittings, appurtenances and piping in the City's water systems include a cathodic protection system to protect these facilities from corrosion. The cathodic protection system shall be prepared by a licensed geotechnical or civil engineer and the system shall be reviewed and approved by the City prior to approval of improvement plans.</p>	I	CD(E), EWR	All required corrosion protection measures are shown on the approved plans for this subdivision. The Community Development Department and the Environmental & Water Resources Department have reviewed and approved these plans. Verification of the installation of the required corrosion protection measures has been provided through construction inspection by the City.	Yes

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87.	<p><i>Incorporate Pipeline Failure Contingency Measures Into Final Pipeline Design.</i> The owner/applicant shall be required to provide isolation valves or similar devices to be incorporated into all pipeline facilities to prevent substantial losses of surface water in the event of a pipeline failure. The pipeline failure contingency measures shall be incorporated into the final pipeline design and this design shall be prepared by a licensed geotechnical or civil engineer. The specifications for the isolation valves shall conform to the California Building Code (CBC) and American Water Works Association Standards. The final pipeline design shall be reviewed and approved by the City prior to approval of improvement plans.</p>	I	CD (E), EWR	The improvements plans for all water systems have isolation valves and incorporate City design standards that allow the City to isolate portions of the City's water system in the event of failure.	Yes
88.	<p><i>Replacing Hazardous Facilities</i> The owner/applicant shall be responsible for replacing any and all damaged or hazardous public sidewalk, curb and gutter, and/or bicycle trail facilities along the site frontage and/or boundaries, including pre-existing conditions and construction damage, to the satisfaction of the Community Development Department.</p>	I, OG	CD (E)	General notes have been included on the approved improvement plans for this subdivision requiring compliance with this condition. Compliance has been monitored through construction inspection by the City.	Yes
89.	<p><i>Scott Road/Easton Valley Parkway Intersection</i> Prior to the issuance of the first building permit, the owner/applicant shall have completed all intersection improvements at the Easton Valley Parkway/Scott Road Intersection and the Easton Valley Parkway/Street 1 Intersection and they shall be operational, to the satisfaction of the City.</p>	B	CD (E), PW	The off-site improvement plans for the Enclave at Folsom Ranch subdivision includes the required improvements for this condition. The improvements	Condition will be satisfied prior to issuance of a building permit.

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90.	<p><i>Future Utility Lines</i> If applicable, all future utility lines lower than 69 KV that are to be built within the project, shall be placed underground within and along the perimeter of the project at the developer's cost. The owner/applicant shall dedicate to SMUD all necessary underground easements for the electrical facilities that will be necessary to service development of the project.</p>	B	CD (E)	All public utility joint trench facilities, less than 69kV, have been placed underground in the subdivision in compliance with this condition. All required public utility easements for the joint trench facilities to serve this subdivision are shown on the Final Map.	Condition will be satisfied prior to issuance of a building permit.
91.	<p><i>Off-site Trunk Sewer Main</i> The owner/applicant shall design and construct the off-site trunk sewer main as shown in Preliminary Offsite Infrastructure Plan attached to the vesting tentative subdivision map. The off-site sewer trunk mains, the sewer maintenance roads, sanitary sewer lift station(s), and sewer forced mains extended across US Highway 50 to the existing Sacramento Regional County Sanitation District (SRCSO) lift station shall be completed and accepted by the City for operation and maintenance prior to issuance of the first building permit in the project.</p> <p>The owner/applicant shall be responsible for constructing any and all odor control facilities, providing high-velocity hydraulic cleaning and vacuum cleaning of select sewer mains and providing temporary supplemental flows into select sewer mains as determined by the City until such time the peak average flows are met in the Folsom Plan Area backbone sewer system in accordance with the Wastewater Master Plan Update.</p>	B	CD (E)	The owner/applicant has completed the required sewer trunk main, lift station and forced mains to serve the subject Phase 1 subdivision. The Owner/applicant developed a flushing plan that was reviewed and approved by the City Engineer and the Environmental and Water Resources Department in accordance with the condition of approval.	Yes

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92.	<p><i>Water Reservoirs, Water Booster Pump Stations, Pressure Reducing Valve Stations, and Sewer Lift Stations</i> The owner/applicant shall design all water reservoirs, water booster pump stations, pressure reducing valve stations, and sewer lift stations, and shall coordinate the design with the Community Development Department and their construction shall be managed by the Environmental and Water Resources Department.</p>	I	CD (E), EWR	The Landowners in the Folsom Plan Area designed and constructed the sewer lift station, the water reservoir and pressure reducing valve stations under supervision and inspection by the Community Development Department and the Environmental and Water Resources Department. These Phase 1 backbone improvements have been accepted by the City and are currently in operation.	Yes
93.	<p><i>Water Meter Fixed Network System</i> The owner owner/applicant shall pay for, furnish and install all infrastructure associated with the water meter fixed network system.</p>	I	CD (E), EWR	The Owner/applicant has completed the infrastructure allowing for the water meter fixed network system. Meters will be furnished and installed during home construction for each individual metered connection.	Yes
94.	<p><i>Vertical Curb</i> All curbs located adjacent to landscaping, whether natural or manicured, and where parking is allowed shall be vertical.</p>	I	CD (P)(B)	The City has reviewed and approved all required improvement plans to verify compliance with this condition of approval.	Yes
95.	<p><i>Class II Bike Lanes</i> All Class II bike lanes shall be striped and painted green. No parking shall be permitted within the Class II bike lanes.</p>	I	CD (E)(P)	The Class II bike lane striping and painting has been completed to the satisfaction of the City. No parking signs will be placed to prohibit parking in the Class II bike lanes.	Yes
96.	<p><i>Noise Barriers</i> Based on the Supplemental Environmental Noise Assessment prepared by Bollard Acoustical Consultants on April 8, 2016, the following measures shall be implemented to the satisfaction of the Community Development Department: An 8-foot solid noise barrier would be installed</p>	I	CD (E)(P)	The landscape plans for the subdivision include retaining walls and sound walls along Alder Creek Parkway (formerly Easton Valley Parkway) Old Ranch Way and Westwood Drive. The retaining walls and sound walls (noise barriers) are included on the landscape plans for the subdivision.	Yes

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96. Cont.	<p>reduce future Easton Valley Parkway traffic noise levels below the City of Folsom exterior criteria of 60 dB Ldn. This barrier is specified relative to backyard elevation unless the backyard elevation is below the roadway elevation, in which case the barrier height is specified relative to roadway elevation.</p> <ul style="list-style-type: none"> • A 7-foot solid noise barrier would be required to reduce future New Placerville Road traffic noise levels below the City of Folsom exterior criteria of 60 dB Ldn. This barrier is specified relative to backyard elevation unless the backyard elevation is below the roadway elevation, in which case the barrier height is specified relative to roadway elevation. • Suitable materials for the traffic noise barriers include masonry and precast concrete panels. Other materials may be acceptable but should be reviewed by an acoustical consultant prior to use. The design of the noise barriers shall be consist with the Enclave at Folsom Ranch Design Guidelines. • Mechanical ventilation (air conditioning) should be provided for all residences in this development to allow the occupants to close doors and windows as desired to achieve compliance with the applicable interior noise level criteria. • All second-floor bedroom windows of the lots located adjacent to Easton Valley Parkway from which the roadway is visible should have a minimum STC rating of 32. 			<p>The sound wall heights and materials are in conformance with the approved acoustical study for the subdivision.</p>	

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97.	<p><i>Master Plan Updates</i> The City has approved the Folsom Plan Area Storm Drainage Master Plan, the Folsom Plan Area Water System Master Plan and the Folsom Plan Area Wastewater Master Plan Update. The owner/applicant shall submit complete updates to each of these approved master plans for the proposed changes to each master plan as a result of the proposed project. The updates to each master plan for the proposed project shall be reviewed and approved by the City prior to approval of grading and/or improvement plans.</p> <p>The plans shall be accompanied by engineering studies supporting the sizing, location, and timing of the proposed facilities. Improvements shall be constructed in phases as the project develops in accordance with the approved master plans, including any necessary off-site improvements to support development of a particular phase or phases, subject to prior approval by the City. Off-site improvements may include roadways to provide secondary access, water transmission lines or distribution facilities to provide a looped water system, sewer trunk mains and lift stations, water quality facilities, non-potable water pipelines and infrastructure, and drainage facilities including on or off-site detention. No changes in infrastructure from that shown on the approved master plan shall be permitted unless and until the applicable master plan has been revised and approved by the City. Final lot configurations may need to be modified to accommodate the improvements identified in these studies to the satisfaction of the City.</p> <p>The owner/applicant shall provide sanitary sewer, water</p>	G, I	CD(E), EWR, PW	The owner/applicant has provided updated Master Plans for approval prior to the issuance of a grading permit for the subdivision. Copies of the Master Plans are available from the Community Development Department.	Yes

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97. Cont.	<p>and storm drainage improvements with corresponding easements, as necessary, in accordance with these studies and the latest edition of the City of Folsom <i>Standard Construction Specifications and Details</i>, and the <i>Design and Procedures Manual and Improvement Standards</i>.</p> <p>The storm drainage design shall provide for no net increase in run-off under post-development conditions.</p>				

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98.	<p><i>Design Stormwater Drainage Plans and Erosion and Sediment Control Plans to Avoid and Minimize Erosion and Runoff to All Wetlands and Other Waters That Are to Remain on the SPA and Use Low Impact Development Features.</i></p> <p>To minimize indirect effects on water quality and wetland hydrology, the owner/applicant shall include stormwater drainage plans and erosion and sediment control plans in their grading and/or improvement plans and shall submit these plans to the City for review and approval. Prior to approval of grading and/or improvement plans, the owner/applicant for any particular discretionary development application shall obtain a NPDES Construction General Permit and Grading Permit, comply with the City's Grading Ordinance and City drainage and stormwater quality standards, and commit to implementing all measures in their drainage plans and erosion and sediment control plans to avoid and minimize erosion and runoff into Alder Creek and all wetlands and other waters that would remain on-site.</p> <p>The owner/applicant shall implement stormwater quality treatment controls consistent with the Stormwater Quality Design Manual for Sacramento and South Placer Regions in effect at the time the application is submitted. Appropriate runoff controls such as berms, storm gates, off-stream detention basins, overflow collection areas, filtration systems, and sediment traps shall be implemented to control siltation and the potential discharge of pollutants. Development plans shall incorporate Low Impact Development (LID) features, such as pervious strips, permeable pavements, bioretention ponds, vegetated swales, disconnected rain gutter downspouts, and rain gardens, where appropriate. Use of LID features is</p>	G, I	CD (E), PW PW (Sacto. Co. or El Dorado Co.) CALTRANS USACE CVRWQCB	The owner/applicant has prepared a Stormwater Pollution Prevention Plan (SWPPP) which implements stormwater water quality practices in accordance with the Stormwater Quality Design Manual for Sacramento and Placer Regions. There are no offsite improvements needed for support of the Enclave at Folsom Ranch drainage system.	Yes

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98. Cont.	<p>recommended by the EPA to minimize impacts on water quality, hydrology, and stream geomorphology and is specified as a method for protecting water quality in the proposed specific plan. In addition, free spanning bridge systems shall be used for all roadway crossings over wetlands and other waters that are retained in the on-site open space. These bridge systems would maintain the natural and restored channels of creeks, including the associated wetlands, and would be designed with sufficient span width and depth to provide for wildlife movement along the creek corridors even during high-flow or flood events, as specified in the 404 permit. The owner/applicant shall be responsible for all necessary off-site improvements needed to support the Enclave at Folsom Ranch Subdivision drainage system.</p>				

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99.	<p><i>Best Management Practices</i></p> <p>The storm drain improvement plans shall provide for “Best Management Practices” that meet the requirements of the water quality standards of the City’s National Pollutant Discharge Elimination System Permit issued by the State Regional Water Quality Control Board.</p> <p>In addition to compliance with City ordinances, the owner/applicant shall prepare a Stormwater Pollution Prevention Plan (SWPPP) and implement Best Management Practices (BMPs) that comply with the General Construction Stormwater Permit from the Central Valley RWQCB, to reduce water quality effects during construction. Detailed information about the SWPPP and BMPs are provided in Chapter 3A.9, “Hydrology and Water Quality.”</p> <p>Each proposed project development shall result in no net change to peak flows into Alder Creek and associated tributaries, or to Buffalo Creek, Carson Creek, and Coyote Creek. The owner/applicant shall establish a baseline of conditions for drainage on-site. The baseline-flow conditions shall be established for 2-, 5-, and 100-year storm events. These baseline conditions shall be used to develop monitoring standards for the stormwater system on the Specific Plan Area. The baseline conditions, monitoring standards, and a monitoring program shall be submitted to USACE and the City for their approval. Water quality and detention basins shall be designed and constructed to ensure that the performance standards, which are described in Chapter 3A.9, “Hydrology and Water Quality,” are met and shall be designed as off-stream detention basins.</p>	G, I	CD (E)	<p>The owner/applicant has prepared a Stormwater Pollution Prevention Plan (SWPPP) which implements stormwater water quality practices in accordance with the Stormwater Quality Design Manual for Sacramento and Placer Regions. The SWPPP incorporates all current “Best Management Practices”. Compliance has been monitored through construction inspection by the City. The subdivision drainage system design provides for not net increase in storm runoff to existing drainage ditches and streams in accordance with this condition.</p>	Yes

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99. Cont.	Discharge sites into Alder Creek and associated tributaries, as well as tributaries to Carson Creek, Coyote Creek, and Buffalo Creek, shall be monitored to ensure that pre-project conditions are being met. Corrective measures shall be implemented as necessary. The mitigation measures will be satisfied when the monitoring standards are met for 5 consecutive years without undertaking corrective measures to meet the performance standard.				

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100.	<p><i>Litter Control</i> During Construction, the owner/applicant shall be responsible for litter control and sweeping of all paved surfaces in accordance with City standards. All on-site storm drains shall be cleaned immediately before the commencement of the rainy season (October 15).</p>	OG	CD (E)	A general note is included on the approved plans for the subdivision to address this condition. Compliance has been monitored through construction inspection by the City.	Yes

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101.	<p><i>Incorporate Fire Flow Requirements into Project Designs.</i> The owner/applicant shall incorporate into their project designs fire flow requirements based on the California Fire Code, Folsom Fire Code and shall verify to the City of Folsom Fire Department that adequate water flow is available, prior to approval of improvement plans and issuance of occupancy permits or final inspections for all project phases.</p>	I, B	CD (E), FD	The Community Development Department and the Fire Department have reviewed and approved all proposed improvement plans for the construction of the water and fire flow system for the entire subdivision.	Yes

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102.	<p><i>Prepare fuel modification plan (FMP).</i> If applicable, the owner/applicant shall submit a Fuel Modification Plan to the City for review and preliminary approval from the Fire Code Official prior to any Final and/or Parcel Map. Final approval of the plan by the Fire Code Official shall occur prior to the issuance of a permit for any new construction. A Fuel Modification Plan shall consist of a set of scaled plans showing fuel modification zones indicated with applicable assessment notes, a detailed landscape plan and an irrigation plan. A fuel modification plan submitted for approval shall be prepared by one of the following: a California state licensed landscape architect, or state licensed landscape contractor, or a landscape designed, or an individual with expertise acceptable to the Fire Code Official. The owner/applicant shall obtain off-site easements for the required for the fuel modification buffer.</p> <p>The owner/applicant agree to be responsible for the long-term maintenance of the Fuel Modification Plan. Notification of fuel modification requirements are to be made upon sale to new property owners. Proposed changes to the approved Fuel Modification Plan shall be submitted to the Fire Code Official for approval prior to implementation.</p>	G, I, M, B	CD (P), FD	The owner/applicant has submitted the Fuel Modification Plan (FMP) to the Community Development Department and the Fire Department. The FMP has been approved by the Community Development Department and the Fire Department. Funding for the maintenance of the fuel modification area shall be through the subdivision's HOA.	Yes
103.	<p><i>All-Weather Access and Fire Hydrants</i> The owner/applicant shall provide all-weather access and fire hydrants before combustible materials are allowed on any project site or other approved alternative method as approved by the Fire Code Official/Fire Chief. All-weather emergency access roads and fire hydrants (tested and flushed) shall be provided before combustible material or vertical construction is allowed on any project site or other</p>	G, I, M, B	CD (P), FD	The owner/applicant has designed and received approval for all weather access improvements and fire hydrants for the entire subdivision. Building permits will not be issued prior to these improvements being completed to the satisfaction of the Community Development Department and the Fire Department.	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
103. Cont.	<p>approved alternative method as approved by the Fire Code Official/Fire Chief. (All-weather access is defined as six inches of compacted aggregate base from May 1 to September 30 and two-inch asphalt concrete over six-inch aggregate base from October to April 30). The building shall have illuminated addresses visible from the street or drive fronting the property. Size and location of address identification shall be reviewed and approved by the Fire Marshal.</p> <ul style="list-style-type: none"> • The minimum fire flow for residential dwellings is 1,000 gpm at 20 psi for houses 3,600 sq. ft. and less, 1,750 gpm for dwellings greater than 3,600 sq. ft. in area, and 2,000 gpm for dwellings greater than 4,800 sq. ft. up to 6,200 sq. ft. in area. Please determine the maximum size homes that will be built in this subdivision. A water model analysis that proves the minimum fire flow will be required before any permits are issued. • All public streets shall meet City of Folsom Street Standards unless an alternative is specifically included within this approval. • The maximum length of any dead end street shall not exceed 500 feet in accordance with the Folsom Fire Code. Several streets indicated on the plans are dead ends greater than 500 feet. In such cases, a second emergency access will be required. • All-weather emergency access roads and fire hydrants (tested and flushed) shall be provided before combustible material storage or vertical construction is allowed. All-weather access is defined as 6" of compacted AB from May 1 to September 30 and 2"AC over 6" AB from October 1 to April 30 • The first Fire Station planned for the Folsom Ranch 				

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103 Cont.	Plan Area shall be completed and operational at the time that the threshold of 1,500 occupied homes within the Folsom Ranch Plan Area is met.				
104.	<p><i>Incorporate California Fire Code; City of Folsom Fire Code Requirements; and EDHFD Requirements, if Necessary, into Project Design and Submit Project Design to the City of Folsom Fire Department for Review and Approval.</i></p> <p>To reduce impacts related to the provision of new fire services, the owner/applicant shall do the following, as described below:</p> <p>Incorporate into project designs fire flow requirements based on the California Fire Code, Folsom Fire Code (City of Folsom Municipal Code Title 8, Chapter 8.36), and other applicable requirements based on the City of Folsom Fire Department fire prevention standards. Improvement plans showing the incorporation of automatic sprinkler systems, the availability of adequate fire flow, and the locations of hydrants shall be submitted to the City of Folsom Fire Department for review and approval. In addition, approved plans showing access design shall be provided to the City of Folsom Fire Department as described by Zoning Code Section 17.57.080 ("Vehicular Access Requirements"). These plans shall describe access-road length, dimensions, and finished surfaces for firefighting equipment. The installation of security gates across a fire apparatus access road shall be approved by the City of Folsom Fire Department. The design and operation of gates and barricades shall be in accordance with the Sacramento County Emergency Access Gates and Barriers Standard, as required by the City of Folsom Fire Code.</p>	I, B, O	CD (E), FD, PW	<p>The City Fire Department has reviewed and approved the improvements plans for the Enclave at Folsom Ranch subdivision to verify compliance with applicable Fire Codes.</p> <p>The Community Development Department and Fire Department will review all future building plans in the subdivision to verify compliance with these conditions. There are no proposed gates in the subdivision.</p>	Yes

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105.	<p><i>Reclaimed Water Pipe</i> The owner/applicant shall install a reclaimed water “purple” pipe conveyance and irrigation system for all proposed landscaping for the project including, but not limited to, landscape corridors along roadways, median islands within roadways, future park sites, school sites, open space parcels either publicly maintained or privately maintained by the owner/applicant, etc. in accordance the Folsom Plan Area Specific Plan Environmental Impact Report. The reclaimed water pipe conveyance and irrigation systems shall be designed and maintained by the owner/applicant to accommodate the future conversion of these irrigation systems from potable water to non-potable water at such time the non-potable water systems is constructed and installed in accordance with the 2014 FPA Recycled Water Analysis 2.0. The owner/applicant shall include the reclaimed water pipe conveyance and irrigation systems on all future landscape plans within the project to the satisfaction of the City.</p>	I	CD (E)(P) EWR, PK	The Reclaimed Water Master Plan has been revised to include the installation of the backbone reclaimed water infrastructure along Alder Creek parkway which also includes the Enclave at Folsom Ranch subdivision. The owner/applicant has installed all of the required backbone pipeline network for reclaimed water transmission in Alder Creek Parkway and East Bidwell Street. The reclaimed water system (purple pipe) will be temporarily served with City potable water until such time there is a source of reclaimed water secured and conveyed to the Folsom Plan Area. In the future after the source is secured, the reclaimed water will replace the potable water in the pipelines that are already purple.	Yes
106.	<p><i>Landscaping Plans</i> Final landscape plans and specifications shall be prepared by a registered landscape architect and approved by the City Arborist and City staff prior to the approval of improvement plans. Said plans shall include all on-site landscape specifications and details, and shall comply with all State and local rules, regulations, Governor’s declarations and restrictions pertaining to water conservation and outdoor landscaping.</p> <p>Landscaping shall meet shade requirements as outlined in the Folsom Plan Area Specific Plan where applicable. The landscape plans shall comply and implement water efficient requirements as adopted by the State of California</p>	I, OG	CD(P), PW	The owner/applicant has prepared landscape plans for all supporting backbone roadways (Alder Creek Parkway, Westwood Drive and Old Ranch Way) for the subdivision. The landscape plans have been reviewed by the City and the landscape improvement are expected to be on-going through the rainy season under construction. The landscape plans are in accordance with all City requirements, this condition of approval and the Design Guidelines for the Folsom Plan Area.	Yes

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106. Cont.	(Assembly Bill 1881) (State Model Water Efficient Landscape Ordinance) until such time the City of Folsom adopts its own Water Efficient Landscape Ordinance at which time the owner/applicant shall comply with any new ordinance. Shade and ornamental trees shall be maintained according to the most current American National Standards for Tree Care Operations (ANSI A-300) by qualified tree care professionals. Tree topping for height reduction, view protection, light clearance or any other purpose shall not be allowed. Specialty-style pruning, such as pollarding, shall be specified within the approved landscape plans and shall be implemented during a 5-year establishment and training period. Landscaping installed in open spaces located between tiers of lots shall be chosen for resistance to fire and limited fuel production. Furthermore, the owner/applicant shall comply with city-wide landscape rules or regulations on water usage. Owner/applicant shall comply with any state or local rules and regulations relating to landscape water usage and landscaping requirements necessitated to mitigate for drought conditions on all landscaping in the Enclave at Folsom Ranch Subdivision project.				
107.	Right of Way Landscaping Landscaping along all road rights of way and in public open space lots shall be installed when the adjoining road or lots are constructed.	I, OG	CD (P), PW	The Community Development Department has reviewed the required landscape and irrigation plans for the Enclave at Folsom Ranch subdivision including Alder Creek Parkway, Westwood Drive and Old Ranch Way. The landscaping and irrigation improvements will be constructed together with the subdivision's public improvements in compliance with this condition.	Yes

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108.	<p><i>Subdivision Improvement Agreement</i> Prior to the approval of any Final Map, the owner/applicant shall enter into a subdivision improvement agreement with the City, identifying all required improvements, if any, to be constructed with each proposed phase of development. The owner/applicant shall provide security acceptable to the City, guaranteeing construction of the improvements.</p>	M	CD (E)	The required subdivision improvement agreement will be included as part of the City staff report accompanying the final map for City Council approval. The resolution approving the final map for this subdivision includes a statement authorizing the City Manager to execute the subdivision improvement agreement for the subdivision along with approval of the final map.	Yes
109.	<p><i>The Final Inclusionary Housing Plan</i> The Final Inclusionary Housing Plan and Final Inclusionary Housing Agreement as approved by the City Council shall be executed prior to recordation of the first Final Map for the Enclave at Folsom Ranch Subdivision.</p>	M	CD (P)(E)	The owner/applicant has executed an Inclusionary Housing Agreement with the City. The agreement allows the owner/applicant to provide an in-lieu fee assigned to each building permit in the subdivision. The in-lieu housing fee will be paid at the time of building permit issuance.	Yes

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110.	<p><i>Homeowner's Association</i> The owner/applicant shall form a Homeowners Association which shall be responsible for maintenance of all private streets, maintenance of all common areas, maintenance of all on-site landscaping, maintenance of storm drainage facilities, maintenance of storm water detention/retention basins and association channels, maintenance of water quality ponds, maintenance of sanitary sewer improvements, and maintenance of any other on-site facilities throughout the life of the project to the satisfaction of the Community Development Department. Vegetation or plantings shall not be less than that depicted on the final landscape plan, unless tree removal is approved by the Community Development Department because the spacing between trees will be too close on center as they mature. for the ownership and maintenance of all landscaped open spaces and common areas. In addition, CC&R's shall be prepared by the owner/applicant and shall be subject to review and approval by the Community Development Department for compliance with this approval and with the Folsom Municipal Code and adopted policies, prior to the recordation of the Final Map.</p>	M	CD (P)(E)	<p>The owner/applicant has prepared the subdivision's C.C. & R.'s. The Community Development Department has reviewed and approved the C.C. & R.'s for compliance with this condition. The C.C. & R.'s will be recorded concurrently with the recording of the Enclave at Folsom Ranch final map.</p>	Yes

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111.	<p><i>Conditions, Covenants, and Restrictions (CC&Rs)</i> The owner/applicant shall disclose to the homebuyers in the Covenants, Conditions, and Restrictions (CC&Rs) and in the Department of Real Estate Public Report</p> <ol style="list-style-type: none"> 1) Future public parks and public schools are located in relatively close proximity to the proposed subdivision, and that the public parks may include facilities (basketball courts, a baseball field, softball fields, soccer fields, and playground equipment) that may generate noise impacts during various times, including but not limited to evening and nighttime hours. The owner/applicant shall also disclose that the existing public parks include nighttime sports lighting that may generate lighting impacts during evening and nighttime hours. 2) The soil in the subdivision may contain naturally occurring asbestos. 3) The collecting, digging, or removal of any stone, artifact, or other prehistoric or historic object located in public or open space areas, and the disturbance of any archaeological site or historic property, is prohibited. 4) The project site is located within close proximity to the Mather Airport flight path and that overflight noise may be present at various times. 5) That all properties located within one mile of an on- or off-site area zoned or used for agricultural use (including livestock grazing) shall be 	M	CD (P) PK	<p>The owner/applicant has prepared the subdivision's C.C. & R.'s. The Community Development Department has reviewed and approved the C.C. & R.'s and verified that they include the disclosures in compliance with this condition. The C.C. & R.'s will be recorded concurrently with the recording of the Enclave at Folsom Ranch final map.</p>	Yes

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111. Cont.	<p>accompanied by written disclosure from the transferor, in a form approved by the City of Folsom, advising any transferee of the potential adverse odor impacts from surrounding agricultural operations which disclosure shall direct the transferee to contact the County of Sacramento concerning any such property within the County zoned for agricultural uses within one mile of the subject property being transferred.</p>				

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112.	<p><i>Financing Districts</i> The owner/applicant shall form a Landscape and Lighting Assessment District, a Community Services District, and/or a Home Owners Association, which shall be responsible for maintenance of all common areas, maintenance of all on-site landscaping, maintenance of storm drainage facilities, maintenance of storm water detention/detention basins and associated channels, maintenance of water quality ponds, and maintenance of any other site facilities in the subdivision throughout the life of the project to the satisfaction of the Community Development Department. Vegetation or plant spacing shall not be less than that depicted on the final landscape plan, unless tree removal is approved by the Community Development Department because the spacing between trees will be too close on center as they mature.</p>	M	CD (P)(E)	The owner/applicant has formed a Homeowner's Association (HOA) for the Enclave at Folsom Ranch subdivision. The HOA will fund the maintenance of the private streets, the gates, the private landscaping, etc. in the subdivision. The landscape corridors along the subdivision frontage of Alder Creek Parkway and Westwood Drive will be funded by the existing CFD 18 Maintenance District.	Yes
113.	<p><i>Public Utility Easements</i> The owner/applicant shall dedicate public easements for water, sewer, and sidewalks within the private streets, as well as public utility easements for underground public facilities on properties adjacent to the streets. Twelve and one-half-foot (12.5') wide Public Utility Easements for underground public facilities shall be dedicated adjacent to all private and public streets for other public utilities (i.e., SMUD, Pacific Gas and Electric, cable television, telephone). The width of the public utility easements adjacent to public and private streets may be reduced with prior approval from public utility companies. The owner/applicant shall dedicate additional width to accommodate extraordinary facilities as determined by the City. The width of the public utility easements adjacent to public and private right of way may be reduced with prior approval from public utility companies.</p>	M	CD (E)	The owner/applicant has dedicated a public utility easement (PUE) along all of the streets along the boundary of the subdivision as well as along the internal streets within the subdivision. All required easements are shown on the final map. The width of the PUE's varies between 5 feet and 12.5 feet. The variable widths have been approved by the public utility companies serving this subdivision.	Yes

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114.	<i>Final Map Phasing</i> Should multiple Final Maps be filed by the owner/applicant, the phasing of maps shall be to the satisfaction of the Community Development Department.	M	CD (E)	The Enclave at Folsom Ranch subdivision final map will be grading and constructed with only one phase.	Yes
115.	<i>Backbone Infrastructure</i> As provided for in the ARDA and the Amendment No. 1 thereto, the owner/applicant shall provide fully executed grant deeds, legal descriptions, and plats for all necessary Backbone Infrastructure to serve the project, including but not limited to lands, public rights of way, public utility easements, public water main easements, public sewer easements, irrevocable offers of dedication and temporary construction easements. All required easements as listed necessary for the Backbone Infrastructure shall be reviewed and approved by the City and recorded with the Sacramento County Recorder pursuant to the timing requirements set forth in Section 3.8 of the ARDA.	M	CD (E)	The owner/applicant has provided fully executed grant deeds, legal descriptions and plats for all of the required Backbone Infrastructure in the subdivision. Copies of all of the grant deeds for real property as well as public easements are on file in the Community Development Department. The owner/applicant provided the City with fully executed rights-of-entry for grading needed on adjoining properties prior to the commencement of grading in the Spring of 2019.	Yes
116.	<i>New Permanent Benchmarks</i> The owner/applicant shall provide and establish new permanent benchmarks on the (NAVD 88) datum in various locations within the subdivision or at any other locations in the vicinity of the off-site Backbone Infrastructure as directed by the City Engineer. The type and specifications for the permanent benchmarks shall be provided by the City. The new benchmarks shall be placed by the owner/applicant within 6 months from the date of approval of the vesting tentative subdivision map.	M	CD (E)	The owner/applicant has installed new benchmarks per the direction of the City Engineer. The required benchmarks are in place and currently in use.	Yes

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117.	<p><i>Maintenance Plan Final Approval</i> No final map will be accepted by the city for processing and review until such time that the Open Space Management and Financing Plan, the Drainage Facilities Maintenance and Financing Plan and the Parks, Trails, Landscape Corridors, Medians and Open Space Maintenance Community Facilities District is formed and approved by the City Council.</p>	M	CD (E)	The City Council adopted Resolution No. 9666 and 9667 for the formation of CFD No. 18, which includes the special tax assessments for all of the items listed in this condition. All of the required CFD's included in this condition have been established and approved by the City Council.	Yes

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118.	<p><i>Community Facilities Districts and Financing Plans</i> Prior to approval of the first small lot final map and in accordance with Amendment No. 1 of the ARDA and any further amendments thereto, the owner/applicant is required to complete the following:</p> <ul style="list-style-type: none"> • Formation and approval by the City Council of the Sewer and Water CFD, • Formation and approval by the City Council of the Aquatic Center CFD, • Formation and approval by the City Council of the Parks, Trails, Landscape Corridors, Medians and Open Space Maintenance CFD, • Formation and approval by the City Council of the Storm Drainage Maintenance CFD (unless such drainage maintenance is included in the Services CFD), • Formation and approval by the City Council of the Street Maintenance District/Lighting Maintenance District CFD (unless such street maintenance is included in the Services CFD) • Formation and approval by the City Council of the Open Space Management and Financing Plan. • Formation and approval by the City Council of the Drainage Facilities Maintenance and Financing Plan 	M	CD (E)	The City Council adopted Resolution No. 9666 and 9667 for the formation of CFD No. 18, which includes the special tax assessments for all of the items listed in this condition. All of the required CFD's included in this condition have been established and approved by the City Council.	Yes

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119.	<p><i>Water Supply Availability</i> The owner/applicant shall submit proof of compliance with Government Code Section 66473.7 (SB 221) by demonstrating the availability of a reliable and sufficient water supply from a public water system for the amount of development that would be authorized by the final subdivision map. Such a demonstration shall consist of information showing that both existing sources are available or needed supplies and improvements will be in place prior to occupancy. The written proof of compliance shall be provided to the City and approved by the City prior to approval of any final map.</p>	M	CD (E), EWR	The owner/applicant has constructed the necessary infrastructure to provide potable water to the Enclave at Folsom Ranch subdivision. The potable Phase 1 water infrastructure has been reviewed, approved and accepted by the City and is currently in operation.	Yes
120.	<p><i>Submit Proof of Adequate Off-Site Water Conveyance Facilities and Implement Off-Site Infrastructure Service System or Ensure That Adequate Financing Is Secured.</i> The owner/applicant shall submit proof to the City of Folsom that an adequate off-site water conveyance system either has been constructed or is ensured to the City's satisfaction. The off-site water conveyance infrastructure sufficient to provide adequate service to the project shall be in place for the amount of development identified in the tentative map before approval of a final subdivision map and issuance of building permits for all project phases, or their financing shall be ensured to the satisfaction of the City. A building permit shall not be issued for any building within the project until the water conveyance infrastructure sufficient to serve such building has been constructed and is in place to the satisfaction of the City.</p>	M, B, O	CD (E)(B), PW	The off-site potable water infrastructure to serve the Enclave at Folsom Ranch subdivision has been reviewed, approved and accepted by the City and is currently in operation. In addition, the City has verified that the off-site potable water infrastructure is adequate to serve the subdivision.	Yes

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121.	<p><i>Demonstrate Adequate SRWTP Wastewater Treatment Capacity.</i> The owner/applicant shall demonstrate adequate capacity at the Sacramento Regional Water Treatment Plant for new wastewater flows generated by the project. This shall involve preparing a tentative map-level study and paying connection and capacity fees as identified by Sacramento Regional County Sanitation District. Approval of the final map and issuance of building permits for all project phases shall not be granted until the City verifies adequate Sacramento Regional Water Treatment Plant capacity is available for the amount of development identified in the tentative map. The written approval from the Sacramento Regional County Sanitation District shall be provided to the City.</p>	M, B	CD (E)(B), PW	The City obtained a letter from Regional San which provides verification that there is adequate capacity in the existing Regional San conveyance and treatment system to accommodate the entire Folsom Plan Area at buildout. Confirmation from Regional San was required because the Folsom Plan Area is served by the existing Regional San Lift Station on Iron Point Road. The City Sewer Lift Station and Forced Main which connects to the Regional San Lift Station has been accepted by the City and is currently in operation.	Yes
122.	<p><i>Submit Proof of Adequate On- and Off-Site Wastewater Conveyance Facilities and Implement On- and Off-Site Infrastructure Service Systems or Ensure That Adequate Financing Is Secured.</i> The owner/applicant shall submit proof to the City of Folsom that an adequate wastewater conveyance system either has been constructed or is ensured through payment or other sureties to the City's satisfaction. Both on-site wastewater conveyance infrastructure and off-site force main sufficient to provide adequate service to the project shall be in place for the amount of development identified in the tentative map before approval of the final map and issuance of building permits for all project phases, or their financing shall be ensured to the satisfaction of the City.</p>	M, B	CD (E)(B) PW	The Phase 1 Sanitary Sewer infrastructure including the off-site sewer trunk main, the Alder Creek Parkway sewer lift station and forced main to serve this subdivision have been constructed by the FPA landowners and have been completed and accepted by the City and are currently in operation.	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
123.	<p>Centralized Mail Delivery Units All Final Maps shall show easements or other mapped provisions for the placement of centralized mail delivery units. The owner/applicant shall provide a concrete base for the placement of any centralized mail delivery unit. Specifications and location of such base shall be determined pursuant to the applicable requirements of the U. S. Postal Service and the City of Folsom Community Development Department, with due consideration for street light location, traffic safety, security, and consumer convenience.</p>	M	CD (E)	The Final Map includes an easement for the construction and maintenance of centralized mail delivery boxes in the subdivision.	Yes
124.	<p>Implement Additional Measures to Reduce Operational GHG Emissions. Energy Efficiency</p> <ul style="list-style-type: none"> • Include clean alternative energy features to promote energy self-sufficiency (e.g., photovoltaic cells, solar thermal electricity systems, small wind turbines). • Design buildings to meet CEC Tier II requirements (e.g., exceeding the requirements of the Title 24 [as of 2007] by 35%). • Site buildings to take advantage of shade and prevailing winds and design landscaping and sun screens to reduce energy use. • Install efficient lighting in all buildings (including residential). Also install lighting control systems, where practical. Use daylight as an integral part of lighting systems in all buildings. • Install light-colored “cool” pavements, and strategically located shade trees along all bicycle and pedestrian routes. <p>Water Conservation and Efficiency</p> <ul style="list-style-type: none"> • With the exception of ornamental shrubs and trees 	B	CD (E)	The Community Development Department Building Division will review and approve all building permits in the subdivision to verify compliance with this condition. In addition, the Community Development Department Planning and Engineering Division has reviewed and approved all of the landscape and irrigation plans for the subdivision and verified compliance with City and State Codes water efficiency and conservation as well as other required measures outlined in this condition.	Condition will be satisfied prior to building permit issuance.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
124. Cont.	<p>water-efficient landscapes with native or drought-resistant species in all public area and commercial landscaping. Use water-efficient turf in parks and other turf-dependent spaces.</p> <ul style="list-style-type: none"> • Install the infrastructure to use reclaimed water for landscape irrigation and/or washing cars. • Install water-efficient irrigation systems and devices, such as soil moisture-based irrigation controls. • Design buildings and lots to be water-efficient. Only install water-efficient fixtures and appliances. 				
124. Cont.	<ul style="list-style-type: none"> • Restrict watering methods (e.g., prohibit systems that apply water to nonvegetated surfaces) and control runoff. Prohibit businesses from using pressure washers for cleaning driveways, parking lots, sidewalks, and street surfaces. These restrictions should be included in the Covenants, Conditions, and Restrictions of the community. • Provide education about water conservation and available programs and incentives. • To reduce stormwater runoff, which typically bogs down wastewater treatment systems and increases their energy consumption, construct driveways to single-family detached residences and parking lots and driveways of multifamily residential uses with pervious surfaces. Possible designs include Hollywood drives (two concrete strips with vegetation or aggregate in between) and/or the use of porous concrete, porous asphalt, turf blocks, or pervious pavers. <p>Solid Waste Measures</p> <ul style="list-style-type: none"> • Reuse and recycle construction and demolition waste (including, but not limited to, soil, vegetation, concrete, lumber, metal, and cardboard). • Provide interior and exterior storage for 	B	CD (E)		

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
124. Cont.	<p>recyclables and green waste at all buildings.</p> <ul style="list-style-type: none"> • Provide adequate recycling containers in public areas, including parks, school grounds, golf courses, and pedestrian zones in areas of mixed-use development. • Provide education and publicity about reducing waste and available recycling services. <p>Transportation and Motor Vehicles</p> <ul style="list-style-type: none"> • Promote ride-sharing programs and employment centers (e.g., by designating a certain percentage of parking spaces for ride-sharing vehicles, designating adequate passenger loading and unloading zones and waiting areas for ride-share vehicles, and providing a Web site or message board for coordinating ride-sharing). • Provide the necessary facilities and infrastructure in all land use types to encourage the use of low- or zero-emission vehicles (e.g., electric vehicle charging facilities and conveniently located alternative fueling stations). 				
125.	<p><i>Recorded Final Map</i> Prior to the issuance of building permits, the owner/applicant shall provide a digital copy of the recorded Final Map (in AutoCAD format) to the Community Development Department.</p>	B	CD (E)	The Community Development Department will require the copies of the recorded final map to be submitted prior to approval of the first building permit in the subdivision.	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
126.	<p><i>Recorded Final Map</i> Prior to issuance of building permits, the owner/applicant shall provide the Folsom-Cordova Unified School District with a copy of the recorded Final Map.</p>	B	CD(E), FCUSD	The Community Development Department will require the copies of the recorded final map to be submitted to the Folsom-Cordova Unified School District prior to approval of the first building permit in the subdivision.	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
127.	<p><i>Implement Measures to Reduce Noise from Project-Generated Stationary Sources.</i></p> <p>The owner/applicant shall implement the following measures to reduce the effect of noise levels generated by on-site stationary noise sources that would be located within 600 feet of any noise-sensitive receptor:</p> <ul style="list-style-type: none"> • Routine testing and preventive maintenance of emergency electrical generators shall be conducted during the less sensitive daytime hours (i.e., 7:00 a.m. to 6:00 p.m.). All electrical generators shall be equipped with noise control (e.g., muffler) devices in accordance with manufacturers' specifications. • External mechanical equipment associated with buildings shall incorporate features designed to reduce noise emissions below the stationary noise source criteria. These features may include, but are not limited to, locating generators within equipment rooms or enclosures that incorporate noise-reduction features, such as acoustical louvers, and exhaust and intake silencers. Equipment enclosures shall be oriented so that major openings (i.e., intake louvers, exhaust) are directed away from nearby noise-sensitive receptors. • Parking lots shall be located and designed so that noise emissions do not exceed the stationary noise source criteria established in this analysis (i.e., 50 dB for 30 minutes in every hour during the daytime [7 a.m. to 10 p.m.] and less than 45 dB for 30 minutes of every hour during the night time [10 p.m. to 7 a.m.]). Reduction of parking lot noise can be achieved by locating parking lots as far away as feasible from noise sensitive land uses, or using buildings and topographic features to provide acoustic shielding for noise-sensitive land uses. • Loading docks shall be located and designed so that 	B	CD (E)	<p>The Community Development Department will review and approve all building permits in the Folsom Plan Area to verify compliance with this condition. General notes have been placed on all approved grading and improvement plans that require these noise related mitigation measures to be satisfied. Compliance have been through construction inspection by the City. At this time, there are no noise sensitive receptors within 600 feet of the grading and construction in this subdivision.</p>	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
127. Cont.	noise emissions do not exceed the stationary noise source criteria established in this analysis (i.e., 50 dB for 30 minutes in every hour during the daytime [7 a.m. to 10 p.m.] and less than 45 dB for 30 minutes of every hour during the night time [10 p.m. to 7 a.m.]). Reduction of loading dock noise can be achieved by locating loading docks as far away as possible from noise sensitive land uses, constructing noise barriers between loading docks and noise-sensitive land uses, or using buildings and topographic features to provide acoustic shielding for noise-sensitive land uses.				

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
128.	<p><i>Design Review Approval</i> Prior to issuance of a building permit for any residential units within the subdivision, the owner/applicant shall obtain Design Review approval from the Planning Commission for all residences to be built within the subdivision. If the architecture is not consistent with the Enclave at Folsom Ranch Design Guidelines, the owner applicant may modify the plans or apply for a modification to the Design Guidelines to be approved by the Planning Commission.</p>	B	CD (P)	The City Planning Commission approved the proposed residential units in the subdivision. The Design Review of these residential units was approved prior to the issuance of the first building permit in the subdivision.	Yes
129.	<p><i>Divert Seasonal Water Flows Away from Building Foundations.</i> The owner/applicant of each project phase shall either install subdrains (which typically consist of perforated pipe and gravel, surrounded by nonwoven geotextile fabric), or take such other actions as recommended by the geotechnical or civil engineer for the project that would serve to divert seasonal flows caused by surface infiltration, water seepage, and perched water during the winter months away from building foundations.</p>	B	CD (B)(P)	The Community Development Department will review and approve all building permits in the Folsom Plan Area to verify compliance with this condition.	Condition will be satisfied prior to issuance of a building permit.
130.	<p><i>East Bidwell/Iron Point</i> Prior to issuance of a building permit, the owner/applicant shall pay a fair share fee to the City of Folsom towards the modification to the westbound approach to the East Bidwell Street/Iron Point Road intersection to include three left-turn lanes, two through lanes, and one right-turn lane.</p>	B	CD (E), PW	The condition will be satisfied with the payment of the Specific Plan Infrastructure Fee (SPIF).	
131.	<p><i>Scott Road (West)/White Rock Road</i> To ensure that the Scott Road (West)/White Rock Road intersection operates at an acceptable LOS, a traffic signal shall be installed.</p>	B (pay SCTDF)	CD (E), PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
132.	<p><i>Empire Ranch Road/Iron Point Road Intersection</i> To ensure that the Empire Ranch Road / Iron Point Road intersection operates at a LOS D or better, all of the following improvements are required:</p> <ul style="list-style-type: none"> • The eastbound approach shall be reconfigured to consist of one left-turn lane, two through lanes, and a right-turn lane. • The westbound approach shall be reconfigured to consist of two left-turn lanes, one through lane, and a through-right lane. • The northbound approach shall be reconfigured to consist of two left-turn lanes, three through lanes, and a right-turn lane. • The southbound approach shall be reconfigured to consist of two left-turn lanes, three through lanes, and a right-turn lane. <p>The owner/applicant shall pay its proportionate share of funding of improvements.</p>	B (pay PFFP fee)	CD (E), PW	This condition will be satisfied through the payment of the SPIF Off-Site Roadway Set Aside Fee approved by the City Council on June 11, 2019 through Resolution No. 10300.	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
133.	<p><i>US 50 from Sunrise Boulevard to East Bidwell Street/Scott Road</i> Participate in Fair Share Funding of Improvements to Reduce Impacts on Eastbound U.S. 50 between Sunrise Boulevard to East Bidwell Street/Scott Road (Freeway Segment 4). To ensure that Eastbound U.S. 50 operates at an acceptable LOS between Folsom Boulevard and Prairie City Road an auxiliary lane shall be constructed. This improvement was recommended in the Traffic Operations Analysis Report for the U.S. 50 Auxiliary Lane Project. This improvement is included in the proposed 50 Corridor Mobility Fee Program. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by the owner/applicant, to reduce the impacts to Eastbound U.S. 50 between Sunrise Boulevard to East Bidwell Street/Scott Road (Freeway Segment 4).</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.
134.	<p><i>Westbound U.S. 50 between Prairie City Road and Folsom Boulevard</i> To ensure that Westbound U.S. 50 operates at an acceptable LOS between Prairie City Road and Folsom Boulevard, an auxiliary lane shall be constructed. This improvement was recommended in the Traffic Operations Analysis Report for the U.S. 50 Auxiliary Lane Project. This improvement is included in the proposed 50 Corridor Mobility Fee Program. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by the owner/applicant, to reduce the impacts to Westbound U.S. 50 between Prairie City Road and Folsom Boulevard.</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
135.	<p><i>U.S. 50 Eastbound/Prairie City Road Diverge</i> To ensure that Eastbound U.S. 50 operates at an acceptable LOS at the Prairie City Road off-ramp diverge, an auxiliary lane from the Folsom Boulevard merge shall be constructed. This improvement was recommended in the Traffic Operations Analysis Report for the U.S. 50 Auxiliary Lane Project. This auxiliary lane improvement is included in the proposed 50 Corridor Mobility Fee Program. The owner/applicant shall pay its proportionate share of funding of improvements to reduce the impacts to the U.S. 50 Eastbound/Prairie City Road diverge.</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.
136.	<p><i>U.S. 50 Eastbound/Prairie City Road Direct Merge</i> To ensure that Eastbound U.S. 50 operates at an acceptable LOS at the Prairie City Road on-ramp direct merge, an auxiliary lane to the East Bidwell Street – Scott Road diverge shall be constructed. This auxiliary lane improvement included in the proposed 50 Corridor Mobility Fee Program. The owner/applicant shall pay its proportionate share of funding of improvements to reduce the impacts to the U.S. 50 Eastbound/Prairie City Road direct merge.</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.
137.	<p><i>U.S. 50 Eastbound/Prairie City Road Flyover On-Ramp to Oak Avenue Parkway Off-Ramp Weave</i> To ensure that Eastbound U.S. 50 operates at an acceptable LOS at the Prairie City Road flyover on-ramp to Oak Avenue Parkway off-ramp weave, an improvement acceptable to Caltrans shall be implemented to eliminate the unacceptable weaving conditions. Such an improvement may involve a “braided ramp”. The owner/applicant shall pay its proportionate share of funding of improvements to reduce the impacts to the U.S. 50 Eastbound / Prairie City Road flyover on-ramp to Oak Avenue Parkway off-ramp weave.</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
138.	<p><i>U.S. 50 Eastbound/Oak Avenue Parkway Loop Merge</i> To ensure that Eastbound U.S. 50 operates at an acceptable LOS at the Oak Avenue Parkway loop merge, an auxiliary lane to the East Bidwell Street – Scott Road diverge shall be constructed. This auxiliary lane improvement is included in the proposed 50 Corridor Mobility Fee Program. The owner/applicant shall pay its proportionate share of funding of improvements to reduce the impacts to the U.S. 50 Eastbound/ Oak Avenue Parkway loop merge (Freeway Merge 9).</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.
139.	<p><i>U.S. 50 Westbound/Empire Ranch Road Loop Ramp Merge</i> To ensure that Westbound U.S. 50 operates at an acceptable LOS, the northbound Empire Ranch Road loop on-ramp should start the westbound auxiliary lane that ends at the East Bidwell Street – Scott Road off ramp. The slip on-ramp from southbound Empire Ranch Road would merge into this extended auxiliary lane. Improvements to this freeway segment shall be implemented by Caltrans. The owner/applicant shall pay its proportionate share of funding of improvements to reduce the impacts to the U.S. 50 Westbound/Empire Ranch Road loop ramp merge.</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.

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140.	<p><i>U.S. 50 Westbound/Oak Avenue Parkway Loop Ramp Merge</i> To ensure that Westbound U.S. 50 operates at an acceptable LOS, the northbound Oak Avenue Parkway loop on-ramp should start the westbound auxiliary lane that ends at the Prairie City Road off-ramp. The slip on-ramp from southbound Oak Avenue Parkway would merge into this extended auxiliary lane. Improvements to this freeway segment shall be implemented by Caltrans. The owner/applicant shall pay its proportionate share of funding of improvements to reduce the impacts to the U.S. 50 Westbound/Oak Avenue Parkway loop ramp merge.</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.
141.	<p><i>U.S. 50 Westbound/Prairie City Road Loop Ramp Merge</i> To ensure that Westbound U.S. 50 operates at an acceptable LOS at the Prairie City Road loop ramp merge, an auxiliary lane to the Folsom Boulevard off ramp diverge shall be constructed. This auxiliary lane improvement is included in the proposed 50 Corridor Mobility Fee Program. The owner/applicant shall pay its proportionate share of funding of improvements to reduce the impacts to the U.S. 50 Westbound/Prairie City Road Loop Ramp Merge.</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.
142.	<p><i>U.S. 50 Westbound/Prairie City Road Direct Ramp Merge</i> To ensure that Westbound U.S. 50 operates at an acceptable LOS at the Prairie City Road direct ramp merge, an auxiliary lane to the Folsom Boulevard off ramp diverge shall be constructed. This auxiliary lane improvement is included in the proposed 50 Corridor Mobility Fee Program. The owner/applicant shall pay its proportionate share of funding of improvements, to reduce the impacts to the U.S. 50 Westbound/Prairie City Road direct ramp merge.</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
143.	<p><i>Eastbound US 50 between Prairie City Road and Oak Avenue Parkway</i> To ensure that Eastbound US 50 operates at an acceptable LOS between Prairie City Road and Oak Avenue Parkway, the northbound Prairie City Road slip on-ramp should merge with the eastbound auxiliary lane that extends to and drops at the Oak Avenue Parkway off ramp and the southbound Prairie City Road flyover on-ramp should be braided over the Oak Avenue Parkway off ramp and start an extended full auxiliary lane to the East Bidwell Street – Scott Road off ramp. Improvements to this freeway segment shall be implemented by Caltrans. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by owner/applicant, to reduce the impacts to Eastbound U.S. 50 between Prairie City Road and Oak Avenue Parkway.</p>	B (pay PFFP/ Interchange fee)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
144.	<p><i>U.S. 50 Eastbound / Prairie City Road Slip Ramp Merge.</i> To ensure that Eastbound US 50 operates at an acceptable LOS, the northbound Prairie City Road slip on-ramp should start the eastbound auxiliary lane that extends to and drops at the Oak Avenue Parkway off ramp (see mitigation measure 3A.15-4u, w and x), and the southbound Prairie City Road flyover on-ramp should be braided over the Oak Avenue Parkway off ramp and start an extended full auxiliary lane to the East Bidwell Street – Scott Road off ramp. Improvements to this freeway segment shall be implemented by Caltrans. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by owner/applicant, to reduce the impacts to the U.S. 50 Eastbound / Prairie City Road slip ramp merge.</p>	B (pay PFFP fee)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.

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145.	<p><i>U.S. 50 Eastbound / Prairie City Road Flyover On-ramp to Oak Avenue Parkway Off Ramp Weave</i> To ensure that Eastbound US 50 operates at an acceptable LOS, the northbound Prairie City Road slip on-ramp should start the eastbound auxiliary lane that extends to and drops at the Oak Avenue Parkway off ramp (see mitigation measure 3A.15-4u, v and x), and the southbound Prairie City Road flyover on-ramp should be braided over the Oak Avenue Parkway off ramp and start an extended full auxiliary lane to the East Bidwell Street – Scott Road off ramp. Improvements to this freeway segment shall be implemented by Caltrans. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by the owner/applicant, to reduce the impacts to the U.S. 50 Eastbound / Prairie City Road Flyover On-ramp to Oak Avenue Parkway Off Ramp Weave.</p>	B (pay PFFP fee)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	
146.	<p><i>U.S. 50 Eastbound / Oak Avenue Parkway Loop Ramp Merge</i> To ensure that Eastbound US 50 operates at an acceptable LOS, the southbound Oak Avenue Parkway loop on-ramp should merge with the eastbound auxiliary lane that starts at the southbound Prairie City Road braided flyover on-ramp and ends at the East Bidwell Street – Scott Road off ramp (see mitigation measure 3A.15-4u, v and w). Improvements to this freeway segment shall be implemented by Caltrans. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by the owner/applicant, to reduce the impacts to U.S. 50 Eastbound / Oak Avenue Parkway Loop Ramp Merge.</p>	B (pay PFFP fee)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
147.	<p><i>U.S. 50 Westbound / Empire Ranch Road Loop Ramp Merge</i> To ensure that Westbound US 50 operates at an acceptable LOS, the northbound Empire Ranch Road loop on-ramp should start the westbound auxiliary lane that ends at the East Bidwell Street – Scott Road off ramp. The slip on-ramp from southbound Empire Ranch Road slip ramp would merge into this extended auxiliary lane. Improvements to this freeway segment shall be implemented by Caltrans. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by owner/applicant, to reduce the impacts to the U.S. 50 Westbound / Empire Ranch Road loop ramp merge.</p>	B (pay PFFP fee)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.
148.	<p><i>U.S. 50 Westbound / Prairie City Road Loop Ramp Merge.</i> To ensure that Westbound US 50 operates at an acceptable LOS, the northbound Prairie City Road loop on-ramp should start the westbound auxiliary lane that continues beyond the Folsom Boulevard off ramp. The slip on-ramp from southbound Prairie City Road slip ramp would merge into this extended auxiliary lane. Improvements to this freeway segment shall be implemented by Caltrans. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by owner/applicant, to reduce the impacts to the U.S. 50 Westbound / Prairie City Road Loop Ramp Merge.</p>	B (pay PFFP fee)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.

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NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
149.	<p><i>Provide Options for Alternative Transportation Modes.</i> The owner/applicant for any particular discretionary development application shall participate in capital improvements and operating funds for transit service to increase the percent of travel by transit. The project's fair-share participation and the associated timing of the improvements and service shall be identified in the project conditions of approval and/or the project's development agreement. Improvements and service shall be coordinated, as necessary, with Folsom Stage Lines and Sacramento RT.</p>	B (pay PFFP fee and Transit fee)	CD (E), PW	The condition is satisfied with the payment of the Transit Fee.	Condition will be satisfied prior to issuance of a building permit.
150.	<p><i>Folsom Boulevard/Blue Ravine Road Intersection</i> To ensure that the Folsom Boulevard/Blue Ravine Road intersection operates at an acceptable LOS, the eastbound approach shall be reconfigured to consist of two left-turn lanes, one through lane, and one right-turn lane. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by owner/applicant, to reduce the impacts to the Folsom Boulevard/Blue Ravine Road intersection</p>	B (pay PFFP fee)	CD (E), PW	This condition will be satisfied through the payment of the SPIF Off-Site Roadway Set Aside Fee approved by the City Council on June 11, 2019 through Resolution No. 10300.	Condition will be satisfied prior to issuance of a building permit.

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TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
151.	<p><i>Sibley Street/ Blue Ravine Road Intersection</i> To ensure that the Sibley Street/Blue Ravine Road intersection operates at an acceptable LOS, the northbound approach shall be reconfigured to consist of two left-turn lanes, two through lanes, and one right-turn lane. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by the owner/applicant, to reduce the impacts to the Sibley Street/Blue Ravine Road intersection</p>	B (pay PFFP fee)	CD (E), PW	This condition will be satisfied through the payment of the SPIF Off-Site Roadway Set Aside Fee approved by the City Council on June 11, 2019 through Resolution No. 10300.	Condition will be satisfied prior to issuance of a building permit.

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
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TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
152.	<p><i>Grant Line Road/White Rock Road Intersection and to White Rock Road widening between the Rancho Cordova City limit to Prairie City Road</i></p> <p>Improvements shall be made to ensure that the Grant Line Road/White Rock Road intersection operates at an acceptable LOS. The currently County proposed White Rock Road widening project will widen and realign White Rock Road from the Rancho Cordova City limit to the El Dorado County line (this analysis assumes that the Proposed Project and build alternatives will widen White Rock Road to five lanes from Prairie City Road to the El Dorado County Line). This widening includes improvements to the Grant Line Road intersection and realigning White Rock Road to be the through movement. The improvements include two eastbound through lanes, one eastbound right turn lane, two northbound left turn lanes, two northbound right turn lanes, two westbound left turn lanes and two westbound through lanes. This improvement also includes the signalization of the White Rock Road and Grant Line Road intersection. With implementation of this improvement, the intersection would operate at an acceptable LOS A. The owner/applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to the Grant Line Road/White Rock Road intersection</p>	B (pay SCTDF)	CD (E), PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
153.	<p><i>Eastbound U.S. 50 as an alternative to improvements at the Folsom Boulevard/U.S. 50 Eastbound Ramps Intersection</i> The owner/applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to the Folsom Boulevard/U.S. 50 Eastbound Ramps intersection (Caltrans Intersection 4). To ensure that the Folsom Boulevard/U.S. 50 eastbound ramps intersection operates at an acceptable LOS, auxiliary lanes should be added to eastbound U.S. 50 from Hazel Avenue to east of Folsom Boulevard. This was recommended in the Traffic Operations Analysis Report for the U.S. 50 Auxiliary Lane Project.</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.
154.	<p><i>Grant Line Road/State Route 16 Intersection</i> To ensure that the Grant Line Road/State Route 16 intersection operates at an acceptable LOS, the northbound and southbound approaches shall be reconfigured to consist of one left-turn lane and one shared through/right-turn lane. Protected left-turn signal phasing shall be provided on the northbound and southbound approaches. Improvements to the Grant Line Road/State Route 16 intersection are contained within the County Development Fee Program and are scheduled for Measure A funding. Improvements to this intersection shall be implemented by Caltrans, Sacramento County, and the City of Rancho Cordova. The owner/applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to the Grant Line Road/State Route 16 intersection.</p>	B (Caltrans MOU/ SCTDF)	CD € , PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
155.	<p><i>Eastbound U.S. 50 between Zinfandel Drive and Sunrise Boulevard</i> To ensure that Eastbound U.S. 50 operates at an acceptable LOS between Zinfandel Drive and Sunrise Boulevard, a bus/carpool (HOV) lane shall be constructed. This improvement is currently planned as part of the Sacramento 50 Bus-Carpool Lane and Community Enhancements Project. The owner/applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to Eastbound U.S. 50 between Zinfandel Drive and Sunrise Boulevard</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.
156.	<p><i>Eastbound U.S. 50 between Hazel Avenue and Folsom Boulevard</i> To ensure that Eastbound U.S. 50 operates at an acceptable LOS between Hazel Avenue and Folsom Boulevard, an auxiliary lane shall be constructed. This improvement was recommended in the Traffic Operations Analysis Report for the U.S. 50 Auxiliary Lane Project. This improvement is included in the proposed 50 Corridor Mobility Fee Program. The owner/applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to Eastbound U.S. 50 between Hazel Avenue and Folsom Boulevard</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.

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TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
157.	<p><i>Westbound U.S. 50 between Hazel Avenue and Sunrise Boulevard</i> To ensure that Westbound U.S. 50 operates at an acceptable LOS between Hazel Avenue and Sunrise Boulevard, an auxiliary lane shall be constructed. This improvement was recommended in the Traffic Operations Analysis Report for the U.S. 50 Auxiliary Lane Project, and included in the proposed Rancho Cordova Parkway interchange project. Improvements to this freeway segment shall be implemented by Caltrans. The owner/applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to Westbound U.S. 50 between Hazel Avenue and Sunrise Boulevard</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.
158.	<p><i>U.S. 50 Eastbound/Folsom Boulevard Ramp Merge</i> To ensure that Eastbound U.S. 50 operates at an acceptable LOS at the Folsom Boulevard merge, an auxiliary lane from the Folsom Boulevard merge to the Prairie City Road diverge shall be constructed. This improvement was recommended in the Traffic Operations Analysis Report for the U.S. 50 Auxiliary Lane Project. This improvement is included in the proposed 50 Corridor Mobility Fee Program. The owner/applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to the U.S. 50 Eastbound/Folsom Boulevard Ramp Merge</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
159.	<p><i>U.S. 50 Eastbound/Folsom Boulevard</i> To ensure that Westbound U.S. 50 operates at an acceptable LOS at the Folsom Boulevard Diverge, an auxiliary lane from the Prairie City Road loop ramp merge shall be constructed. Improvements to this freeway segment shall be implemented by Caltrans. This auxiliary lane improvement is included in the proposed 50 Corridor Mobility Fee Program. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by the owner/applicant, to reduce the impacts to the U.S. 50 Eastbound / Folsom Boulevard diverge</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.
160.	<p><i>U.S. 50 Westbound/Hazel Avenue Direct Ramp Merge</i> To ensure that Westbound U.S. 50 operates at an acceptable LOS at the Hazel Avenue direct ramp merge, an auxiliary lane to the Sunrise Boulevard off ramp diverge shall be constructed. This auxiliary lane improvement is included in the proposed 50 Corridor Mobility Fee Program. The owner/applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to the U.S. 50 Westbound/Hazel Avenue direct ramp merge.</p>	B (Caltrans MOU)	CD (E), PW	The condition is satisfied with the payment of the Highway 50 Improvement Fee.	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
161.	<p><i>Participate in the City's Transportation System Management Fee Program</i> The owner/applicant for any particular discretionary development application shall pay an appropriate amount into the City's existing Transportation System Management Fee Program to reduce the number of single-occupant automobile travel on area roadways and intersections.</p>	B	CD (E), PW	The condition is satisfied with the payment of the Transit Fee.	Condition will be satisfied prior to issuance of a building permit.
162.	<p><i>Pay Full Cost of Identified Improvements that Are Not Funded by the City's Fee Program</i> In accordance with Measure W, the owner/applicant for any particular discretionary development application shall provide fair-share contributions to the City's transportation impact fee program to fully fund improvements only required because of the Specific Plan.</p>	B (Caltrans MOU, PFFP fee, SCTDF)	CD (E), PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF) and the Specific Plan Infrastructure Fee (SPIF).	Condition will be satisfied prior to issuance of a building permit.
163.	<p><i>Sibley Street/Blue Ravine Road Intersection</i> To ensure that the Sibley Street/Blue Ravine Road intersection operates at a LOS D with less than the Cumulative No Project delay, the northbound approach shall be reconfigured to consist of two left-turn lanes, two through lanes, and one dedicated right-turn lane. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by owner/applicant, to reduce the impacts to the Sibley Street/Blue Ravine Road intersection</p>	B Pay PFFP fee	CD (E), PW	This condition will be satisfied through the payment of the SPIF Off-Site Roadway Set Aside Fee approved by the City Council on June 11, 2019 through Resolution No. 10300.	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
164.	<i>East Bidwell Street/Nesmith Court</i> To ensure that the East Bidwell Street/Nesmith Court intersection operates at acceptable LOS C or better, the westbound approach shall be reconfigured to consist of one left-turn lane, one left / through lane, and two dedicated right-turn lanes. The owner/applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by owner/applicant, to reduce the impacts to the East Bidwell Street/College Street intersection	B Pay PFFP fee	CD (E), PW	This condition will be satisfied through the payment of the SPIF Off-Site Roadway Set Aside Fee approved by the City Council on June 11, 2019 through Resolution No. 10300.	Condition will be satisfied prior to issuance of a building permit.
165.	<i>Oak Avenue Parkway/Easton Valley Parkway</i> To ensure that the Oak Avenue Parkway/Easton Valley Parkway intersection operates at an acceptable LOS the southbound approach shall be reconfigured to consist of two left-turn lanes, two through lanes, and two right-turn lanes.	B Pay SCTDF	CD (E), PW	The condition is satisfied with the payment of the Specific Plan Infrastructure Fee (SPIF).	Condition will be satisfied prior to issuance of a building permit.
166.	<i>Oak Avenue Parkway/Middle Road Intersection</i> To ensure that the Oak Avenue Parkway/Middle Road intersection (as shown in the FPA) operates at an acceptable LOS, control all movements with a stop sign.	B Pay PFFP fee	CD (E), PW	The condition is satisfied with the payment of the Specific Plan Infrastructure Fee (SPIF).	Condition will be satisfied prior to issuance of a building permit.
167.	<i>Hazel Avenue between Madison Avenue and Curragh Downs Drive</i> To ensure that Hazel Avenue operates at an acceptable LOS between Curragh Downs Drive and Gold Country Boulevard, Hazel Avenue must be widened to six lanes. This improvement is part of the County adopted Hazel Avenue widening project.	B Pay SCTDF	CD (E), PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
168.	<p><i>White Rock Road/Windfield Way Intersection</i> To ensure that the White Rock Road/Windfield Way intersection operates at an acceptable LOS, the intersection must be signalized and separate northbound left and right turn lanes must be striped. The applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to the White Rock Road/Windfield Way intersection.</p>	B Pay SCTDF	PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.
169.	<p><i>Grant Line Road/White Rock Road Intersection</i> To ensure that the Grant Line Road/White Rock Road intersection operates at an acceptable LOS E or better this intersection should be replaced by some type of grade separated intersection or interchange.</p> <p>Improvements to this intersection are identified in the Sacramento County's Proposed General Plan. Implementation of these improvements would assist in reducing traffic impacts on this intersection by providing acceptable operation. Intersection improvements must be implemented by Sacramento County. The applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to the Grant Line Road/White Rock Road intersection.</p>	B Pay SCTDF	PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
170.	<p><i>Grant Line Road between White Rock Road and Kiefer Boulevard</i></p> <p>To improve operation on Grant Line Road between White Rock Road and Kiefer Boulevard, this roadway segment must be widened to six lanes. This improvement is proposed in the Sacramento County and the City of Rancho Cordova General Plans; however, it is not in the 2035 MTP. Improvements to this roadway segment must be implemented by Sacramento County and the City of Rancho Cordova.</p> <p>The applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to Grant Line Road between White Rock Road and Kiefer Boulevard.</p> <p>The identified improvement would more than offset the impacts specifically related to the Folsom South of U.S. 50 project on this roadway segment.</p>	<p>B Pay SCTDF</p>	<p>Sacramento County City of Rancho Cordova</p>	<p>The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).</p>	<p>Condition will be satisfied prior to issuance of a building permit.</p>

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
171.	<p><i>Grant Line Road between Kiefer Boulevard and Jackson Highway</i> To improve operation on Grant Line Road between Kiefer Boulevard Jackson Highway, this roadway segment could be widened to six lanes. This improvement is proposed in the Sacramento County and the City of Rancho Cordova General Plans; however, it is not in the 2035 MTP. Improvements to this roadway segment must be implemented by Sacramento County and the City of Rancho Cordova.</p> <p>The applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to Grant Line Road between Kiefer Boulevard and Jackson Highway.</p> <p>The identified improvement would more than offset the impacts specifically related to the Folsom South of U.S. 50 project on this roadway segment.</p>	B Pay SCTDF	Sacramento County City of Rancho Cordova	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.
172.	<p><i>Hazel Avenue between Curragh Downs Drive and U.S. 50 Westbound Ramps</i> The applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements on Hazel Avenue, based on a program established by that agency to reduce the impacts to Hazel Avenue between Curragh Downs Drive and U.S. 50 Westbound Ramps.</p>	B Pay SCTDF	Sacramento County City of Rancho Cordova	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
173.	<p><i>White Rock Road between Grant Line Road and Prairie City Road</i> To improve operation on White Rock Road between Grant Line Road and Prairie City Road, this roadway segment shall be widened to six lanes. This improvement is included in the 2035 MTP but is not included in the Sacramento County General Plan. Improvements to this roadway segment must be implemented by Sacramento County.</p> <p>The identified improvement would more than offset the impacts specifically related to the Folsom South of U.S. 50 project on this roadway segment. However, because of other development in the region that would substantially increase traffic levels, this roadway segment would continue to operate at an unacceptable LOS F even with the capacity improvements identified to mitigate Folsom Plan Area impacts.</p> <p>The applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to White Rock Road between Grant Line Road and Prairie City Road.</p>	B Pay SCTDF	Sacramento County	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
174.	<p><i>White Rock Road between Empire Ranch Road and Carson Crossing Road</i> To improve operation on White Rock Road between Empire Ranch Road and Carson Crossing Road, this roadway segment shall be widened to six lanes. Improvements to this roadway segment shall be implemented by Sacramento County.</p> <p>The applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to White Rock Road between Empire Ranch Road and Carson Crossing Road.</p>	B Pay SCTDF	Sacramento County	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.
175.	<p><i>White Rock Road/Carson Crossing Road Intersection</i> To ensure that the White Rock Road/Carson Crossing Road intersection operates at an acceptable LOS, the eastbound right turn lane shall be converted into a separate free right turn lane, or double right. Improvements to this intersection must be implemented by El Dorado County. The applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to the White Rock Road/Carson Crossing Road Intersection</p>	B Pay SCTDF	CD (E), PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
176.	<p><i>Hazel Avenue/U.S. 50 Westbound Ramps Intersection</i> To ensure that the Hazel Avenue/U.S. 50 westbound ramps intersection operates at an acceptable LOS, the westbound approach shall be reconfigured to consist of one dedicated left turn lane, one shared left- through lane and three dedicated right-turn lanes. Improvements to this intersection shall be implemented by Caltrans and Sacramento County. The applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to the Hazel Avenue/U.S. 50 Westbound Ramps Intersection.</p>	B Pay SCTDF	CD (E), PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.
177.	<p><i>Eastbound US 50 between Zinfandel Drive and Sunrise Boulevard</i> To ensure that Eastbound US 50 operates at an acceptable LOS between Zinfandel Drive and Sunrise Boulevard, an additional eastbound lane could be constructed. This improvement is not consistent with the Concept Facility in Caltrans State Route 50 Corridor System Management Plan; therefore, it is not likely to be implemented by Caltrans by 2030.</p> <p>Construction of the Capitol South East Connector, including widening White Rock Road and Grant Line Road to six lanes with limited access, could divert some traffic from U.S. 50 and partially mitigate the project's impact. The applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to Eastbound U.S. 50 between Zinfandel Drive and Sunrise Boulevard.</p>	B Pay SCTDF	CD (E), PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.

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NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
178.	<p><i>Eastbound US 50 between Rancho Cordova Parkway and Hazel Avenue</i> To ensure that Eastbound US 50 operates at an acceptable LOS between Rancho Cordova Parkway and Hazel Avenue, an additional eastbound lane could be constructed. This improvement is not consistent with the Concept Facility in Caltrans State Route 50 Corridor System Management Plan; therefore, it is not likely to be implemented by Caltrans by 2030.</p> <p>Construction of the Capitol South East Connector, including widening White Rock Road and Grant Line Road to six lanes with limited access, could divert some traffic off of U.S. 50 and partially mitigate the project's impact. The applicant shall pay its proportionate share of funding of improvements to the agency responsible for improvements, based on a program established by that agency to reduce the impacts to Eastbound U.S. 50 between Rancho Cordova Parkway and Hazel Avenue.</p>	B Pay SCTDF	CD (E), PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
179.	<p><i>Eastbound US 50 between Folsom Boulevard and Prairie City Road</i> To ensure that Eastbound US 50 operates at an acceptable LOS between Folsom Boulevard and Prairie City Road, the eastbound auxiliary lane should be converted to a mixed flow lane that extends to and drops at the Oak Avenue Parkway off ramp (see mitigation measure 3A.15-4t). Improvements to this freeway segment must be implemented by Caltrans. This improvement is not consistent with the Concept Facility in Caltrans State Route 50 Corridor System Management Plan; therefore, it is not likely to be implemented by Caltrans by 2030.</p> <p>Construction of the Capitol South East Connector, including widening White Rock Road and Grant Line Road to six lanes with limited access, could divert some traffic off of U.S. 50 and partially mitigate the project's impact.</p> <p>The applicant shall pay its proportionate share of funding of improvements, as may be determined by a nexus study or other appropriate and reliable mechanism paid for by applicant, to reduce the impacts to Eastbound U.S. 50 between Folsom Boulevard and Prairie City Road</p>	B Pay SCTDF	CD (E), PW	The condition is satisfied with the payment of the Sacramento County Transportation Development Fee (SCTDF).	Condition will be satisfied prior to issuance of a building permit.
180.	<p><i>Credit Reimbursement Agreement</i> Prior to the recordation of the first final map, the owner/applicant and City shall enter into a credit and reimbursement agreement for constructed improvements that are included in the Folsom Plan Area's Public Facilities Financing Plan.</p>	M	CD (E)	The owner/applicant and the City have executed the required Specific Plan Infrastructure Fee (SPIF) credit/reimbursement agreements. The SPIF credit/reimbursement agreements are on file with the Community Development Department.	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
181.	<p>The two project vehicle entry gates shall swing inward and away from the public streets.</p> <p>In addition, vehicle queuing at the two entry gates shall be monitored by the Community Development Department and the Home Owners Association on an ongoing basis to verify that vehicles are not backing up into the adjacent public streets. In the event that vehicle queuing at the two entry gates becomes a public safety issue, the two vehicle entry gates will be required to remain open during the AM (7:00 a.m. to 9:00 a.m.) and PM (4:00 p.m. to 6:00 p.m.) peak hours on weekdays.</p>	I, O	CD (P)(E)	<p>The Community Development Department has reviewed and approved the Enclave at Folsom Ranch improvements plans for the proposed gates. The gates have been designed to open inward in accordance with this condition. The Community Development Department in conjunction with the Homeowner's Association will monitor the gate operation to make sure that queuing does not extend into Alder Creek Parkway or Old Ranch Way.</p>	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
182.	<p>Landscaping Plan Owner/applicant shall submit a landscape plan for all areas (by phase or subdivision) of the project where owner/applicant proposes to install landscaping on residential lots. The landscape plan shall take into account the then existing state or local rules and regulations related to landscape water usage and water wise landscape principles. The landscape plans shall be submitted and approved by the Community Development Director prior to the issuance of a building permit in the phase or subdivision. The owner/applicant shall comply with any state or local rules and regulations relating to landscape water usage and landscaping requirements necessitated to mitigate for drought conditions.</p>	B	CD (P) (E)	The owner/applicant has submitted landscape and irrigation plans for the subdivisions landscaping along the street frontages around the subdivision and for the privately maintained landscape and irrigation improvements within the boundaries of the subdivision. The landscape and irrigation plans will be approved by the Community Development Department prior to issuance of a building permit.	Condition will be satisfied prior to issuance of a building permit.
183.	<p>Walls/Fences/Gates The final location, design, height, materials, and colors of the walls, fences, and gates shall be subject to review and approval by the Community Development Department to ensure consistency with the Enclave at Folsom Ranch Design Guidelines.</p>	B	CD (P) (E)	The Community Development Department will review and approve the proposed gate plans for the subdivision prior to issuance of a building permit. The proposed gates will be placed at the subdivision entries on Alder Creek Parkway and Old Ranch Way.	Condition will be satisfied prior to issuance of a building permit.
184.	<p>Mechanical Equipment Screening All mechanical equipment shall be concealed from view of public streets, neighboring properties and nearby higher buildings where practicable to the satisfaction of the Community Development Department.</p>	B	CD (P) (E)	The Community Development Department will review and approve all residential plot plans to verify compliance with this condition prior to issuance of a building permit.	Condition will be satisfied prior to issuance of a building permit.
185.	<p>City Corporation Yard The location tentatively identified for acquisition by the City for the City's new Corporation Yard in Section 02.04</p>	M	CD (E)(P)	The City has completed the annexation process with LAFCO to add the future corporation site to the City of Folsom	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
185. Cont.	<p>of the First Amended and Restated Tier I Development Agreement (ARDA) between the City and the project developer may not be feasible for use as a Corporation Yard due to challenges in obtaining County entitlements and utility services. Subject to the application of this condition to other Participating Landowners (as defined in the ARDA) as provided herein, the following condition is added with respect to resolution of the location of the corporation yard:</p> <p>Prior to approval of the First Final Small Lot Map in the FPA (or first building permit if development may occur without any subdivision), a site consistent with the requirements of Section 2.2.3.4 of the ARDA, as may be amended or as otherwise agreed to between the City and the Participating Landowners, shall be identified as acceptable to the City as suitable and feasible for use as the new Corporation Yard, with access to sewer, water and all required utility services. The City's determination of feasibility may include the identification of an alternative site consistent with the forgoing, as a back-up for the primary site, as well as an evaluation of the time, cost and likelihood of obtaining any necessary entitlements or other governmental approvals for use of the land as a corporation yard, with the final determination of feasibility subject to the sole and reasonable discretion of the City Council.</p> <p>The City intends to impose this condition equitably throughout the Plan Area as and to each and every Participating Landowner who seeks any future specific plan amendment, tentative subdivision map or ARDA amendment in connection with its proposed development. If the City fails to impose such a condition, when required,</p>			Limits. The grant deed for the transfer of the Corporation Yard to the City has recorded in the Official Records of Sacramento County and LAFCO has recorded the Certificate of Completion in Book 20181207 at Page 0779 in the Official Records of Sacramento County completing the annexation process.	

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
	with at least substantially similar terms, although precise language may differ (whether through a				
185. Cont.	<p>tentative subdivision map condition of approval, amendment to the specific plan or to a development agreement, or other agreement between the City and a Participating Landowner), this condition of approval shall be null and void as to Owner/Applicant's Project, and shall not be used as a reason to prevent approval of any final small lot map for Owner/Applicant's Project. If the City approves any other final small lot map for a project within the Plan Area and the Corporation Yard site has not been approved as provided for herein, Owner/Applicant may seek relief from the terms of this condition by appeal to the City Manager, with the right to review by the City Council.</p> <p>If and when the City amends the ARDA for any other Folsom Plan owner to include the language described below, in addition to the above and subject to the paragraph below, Applicant agrees to a future modification of Section 2.5.3B of the Amended and Restated Development Agreement (ARDA) as follows: Prior to Approval of First Final Small Lot Map in the FPA (or first building permit if development may occur without any subdivision) or as otherwise specified below:</p> <p>....(9) A site consistent with the requirements of Section 2.2.3.4, as may be amended or as otherwise agreed to between the City and the Participating Landowners, shall be identified as acceptable to the City as suitable and feasible for use as the new Corporation Yard with access to sewer, water and all required utility services. The City's determination of feasibility may include the identification</p>	M	CD (E)(P)		

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
185. Cont.	<p>of an alternative site, consistent with the forgoing, as a back-up for the primary site, as well as an evaluation of the time, cost and likelihood of obtaining any necessary entitlements or other governmental approvals for use of the land as a corporation yard, with the final determination of feasibility subject to the sole and reasonable discretion of the City. If Owner/Applicant proposes final maps in phases, Owner/Applicant may apply to the City Manager to permit individual phases to move forward to final map if substantial progress is being made to identify an acceptable site as described above. The City Manager's determination of substantial progress shall be in his/her sole discretion. The City will be proposing the amendment to Section 2.5.3B as described above as to other Folsom Plan Area landowners seeking future specific plan amendment, tentative subdivision map or ARDA amendments. If and when the City modifies the ARDA for any other Folsom Plan Area landowner to add this section, then Applicant will agree to a modification of its then existing ARDA or amendment thereto. If the City does not amend the ARDA with respect to any other landowner to include the provision set forth above prior to City Council's consideration of a final map, then this requirement shall be null and void as to Owner/Applicant's project.</p>				
186.	<p>School Sites The locations of the elementary school sites and the combined middle school/high school were initially established during the City's processing and approval of the Folsom Specific Plan, at which time all Plan Area participants were engaged in the review of land planning and land uses. In 2015, the Folsom Cordova Unified School District raised concerns that the planned location of the future combined middle school/high school site may</p>	M	CD (E)(P)	<p>The City, the Folsom Cordova Unified School District (FCUSD) and the Landowners in the Folsom Plan Area successfully negotiated the proposed locations of the combined middle school/high school site. The City Manager informed the Landowners that this condition of approval has been satisfied with a letter dated June 12, 2018. The</p>	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
186. Cont.	<p>not be preferred.</p> <p>Prior to approval of First Final Small Lot Map in the FPA (or first building permit if development may occur without any subdivision), the site(s) for the future high school and middle school in the Folsom Plan Area will be identified and approved by the City, in consultation with the Folsom Cordova Unified School District.</p> <p>The City intends to impose this condition equitably throughout the Plan Area as and to each and every Participating Landowner who seeks any future specific plan amendment, tentative subdivision map or ARDA amendment in connection with its proposed development. If the City fails to impose such a condition, when required, with at least substantially similar terms, although precise language may differ (whether through a tentative subdivision map condition of approval, amendment to the specific</p> <p>plan or to a development agreement, or other agreement between the City and a Participating Landowner), this condition of approval shall be null and void as to Owner/Applicant's Project, and shall not be used as a reason to prevent approval of any final small lot map for Owner/Applicant's Project. If the City approves any other final small lot map for a project within the Plan Area and the high school and middle school site(s) has not been approved as provided for herein, Owner/Applicant may seek relief from the terms of this condition by appeal to the City Manager, with the right to review by the City Council.</p>			letter is on file with the City.	

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
186. Cont.	If Owner/Applicant proposes final maps in phases, Owner/Applicant may apply to the City Manager to permit individual phases to move forward to final map if substantial progress is being made to identify an acceptable site(s) as described above. The City Manager's determination of substantial progress shall be in his/her sole discretion. If and when the City amends the Amended and Restated Development Agreement ("ARDA") for any other Folsom Plan owner to include the language described below, in addition to the above and subject to the paragraph below, Applicant agrees to a future modification of Section 2.5.3B of the ARDA as follows:				

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
186. Cont.	<p>Section 2.5.3B Prior to Approval of First Final Small Lot Map in the FPA (or First Building Permit if Development May Occur Without Any Subdivision) or as otherwise specified below:</p> <p>...(10) A site or sites identified as suitable by the City, in consultation with the Folsom Cordova Unified School District, for use as the future high school and middle school in the Folsom Plan Area shall be identified and approved by the City in consultation with the Folsom Cordova Unified School District. If a supplemental fee is required to support the development of such identified site(s), the applicant agrees to support the establishment of such fee in accordance with the Mitigation Fee Act and to pay such fee, so long as such fee is equitably shared by all similar development within the Plan Area.</p> <p>The City will be proposing the amendment to Section 2.5.3B as described above as to other Folsom Plan Area landowners seeking future specific plan amendment, tentative subdivision map or ARDA amendments. If and when the City modifies the ARDA for any other Folsom Plan Area landowner to add this section, then Applicant will agree to a modification of its then existing ARDA or amendment thereto. If the City does not amend the ARDA with respect to any other landowner to include the provision set forth above prior to City Council's consideration of a final map, then this requirement shall be null and void as to Owner/Applicant's project.</p>	M	CD (E)(P)		

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
187.	The design of the proposed interim detention/hydro-modification basin shall be reviewed and approved by the City. The design shall include City approved vehicular access by City operation and maintenance vehicles to the entire interim basin including but not limited to, the inlets and outfalls for the basin. The improvement plans for the proposed interim basin shall be reviewed and approved by the City prior to approval of the Final Subdivision Map.	M	CD (P)	The owner/applicant revised their infrastructure plans to eliminate the proposed interim detention/hydro-modification basin. Instead, the owner/applicant has constructed the permanent detention/hydro-modification basin south of the subdivision and east of East Bidwell Street. The design of the permanent detention/hydro-modification has been reviewed and approved by the City and the permanent basin should be complete and operational in December of 2019.	Yes
188.	The owner/applicant shall construct Easton Valley Parkway to its ultimate horizontal and vertical alignment between Scott Road and New Placerville Road. Easton Valley Parkway shall include one lane of travel in each direction and shall include the intersections of Scott Road and New Placerville Road as shown on the approved Vesting Tentative Subdivision Map. In addition, the owner/applicant shall be responsible for constructing all turn lanes and frontage improvements required along Easton Valley Parkway, New Placerville Road and Street 1 for the proposed vesting small lot tentative subdivision map. All required improvements including, but not limited to, water, sanitary sewer, storm drainage and roadway improvements as shown on the approved vesting tentative subdivision map shall be constructed with the first phase to the satisfaction of the City.	M	CD (E)(P)	The owner/applicant is currently constructing the required roadway improvements to Easton Valley Parkway (now Alder Creek Parkway) between Scott Road (now East Bidwell Street) and new Placerville Road (now Westwood Drive). The roadway improvements are being constructed to their ultimate horizontal and vertical alignment in accordance with this condition. The required roadway improvements are expected to be complete and operational by December of 2019. There is only one phase for the Enclave at Folsom Ranch subdivision.	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
189.	The owner/applicant shall construct New Placerville Road to its ultimate horizontal and vertical alignment from its intersection with Easton Valley Parkway to the intersection of Street 1 and shall construct Street 1 to its ultimate horizontal and vertical alignment from its intersection with Scott Road to the intersection of New Placerville Road as shown on the approved vesting tentative subdivision map.	M	CD (E)(P)	The owner/applicant is currently constructing the required roadway improvements to New Placerville Road (now Westwood Drive) between Easton Valley Parkway (now Alder Creek Parkway) and Street 1 (now Old Ranch Way). The roadway improvements are being constructed to their ultimate horizontal and vertical alignment in accordance with this condition. The required roadway improvements are expected to be complete and operational by December of 2019.	Yes
190.	The owner/applicant shall construct Scott Road from the intersection of Street 1 to the intersection of Easton Valley Parkway to its ultimate horizontal and vertical alignment and elevation as shown on the approved Vesting Tentative Subdivision Map. The ultimate horizontal and vertical alignment will include the entire of the two (2) noted intersections from curb return to curb return. The owner/applicant will be permitted to construct interim roadway transitions extending south of the Street 1/Scott Road intersection and extending north of the Easton Valley Road/Scott Road to connect to the existing Scott Road to the satisfaction of the City.	M	CD (E)(P)	The owner/applicant is currently constructing the required roadway improvements to Scott Road (now East Bidwell Street) between Street 1 (now Old Ranch Way) and Easton Valley Parkway (now Alder Creek Parkway). The roadway improvements are being constructed to their ultimate horizontal and vertical alignment in accordance with this condition. The required roadway improvements are expected to be complete and operational by December of 2019.	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
191.	The owner/applicant shall provide a funding mechanism for the operation and maintenance (O&M) of the proposed interim detention/hydro-modification basin (basin), which will be maintained by the City. The owner/applicant shall also be required to prepare an O&M manual for the proposed interim basin and the manual shall be subject to review and approval by the City. The funding for the operation and maintenance of the basin shall remain in place until such time the required permanent basin(s) are constructed by others downstream in accordance with the Folsom Plan Area Storm Drainage Master Plan by others. The funding mechanism shall be in place and the funding available to the City and the O& M manual shall be reviewed and approved by the City prior to approval of the Final Subdivision Map.	M	CD (E), PW	The owner/applicant has eliminated the previously contemplated interim detention/hydro-modification basin and is currently constructing the permanent detention/hydro-modification basin. Therefore there is no requirement to provide a funding mechanism for the previously contemplated interim detention/hydro-modification basin.	Yes
192.	The owner/applicant shall be solely responsible for the entire cost to remove the interim basin and the temporary stockpile of fill material needed to restore Parcel 2 to a developable condition at such time the permanent basins are constructed downstream by others in accordance with the Folsom Plan Area Storm Drainage Master Plan. The owner/applicant shall also be responsible for the abandonment of the public storm drainage easement(s) that will no longer be necessary at such time the interim basin and stockpile of fill material have been removed to the satisfaction of the City. The owner/applicant shall be required to execute an agreement with the City to guarantee funding for the removal of the interim basin and temporary stockpile of fill material prior to approval of the Final Subdivision Map.	M	CD (E), PW	The owner/applicant has eliminated the previously contemplated interim detention/hydro-modification basin and is currently constructing the permanent detention/hydro-modification basin. Therefore, there is no requirement to remove the previously contemplated interim detention/hydro-modification basin.	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
193.	<p>90 Day Protest Period</p> <p>The conditions of project approval set forth herein include certain fees, dedication requirements, reservation requirements, and other exactions. Pursuant to Government Code Section 66020(d), these conditions constitute written notice of the amount of such fees, and a description of the dedications, reservations and other exactions.</p> <p>The applicant is hereby notified that the 90 day protest period, commencing from the date of approval of the project, has begun. If the applicant fails to file a protest regarding any of the fees, dedication requirements, reservation requirements or other exaction contained in this notice, complying with all the requirements of Government Code Section 66020, the applicant will be legally barred from later challenging such exactions.</p>	M	CD (E)(P)	<p>The vesting tentative subdivision map for the Enclave at Folsom Ranch subdivision was approved by the City Council. The City did not receive any protest for the required fees from the owner/applicant during the established 90-day protest period which commenced on the date of City Council approval.</p>	Yes
194.	<p>Final Parcel Map</p> <p>The applicant shall submit a Final Parcel Map to the Community Development Department that shall substantially conform to the exhibits referenced below:</p> <ul style="list-style-type: none"> • Tentative Parcel Map dated October 14, 2016 	OG	CD (E)(P)	<p>The Final Parcel map for the Enclave at Folsom Ranch subdivision was approved by the City and recorded in Book 232 of Parcel Maps at Page 17.</p>	Yes

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	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
195.	<p><i>Development Rights</i> The approval of this Tentative Parcel Map and the recording of any Vesting Tentative Subdivision Map does not convey any right to develop. Processing and approval of a Small Lot Tentative Subdivision Map or maps and/or Planned Development Permit applications shall be required prior to construction or development of any of the parcels created by this Tentative Parcel Map. As a condition of the Small Lot Tentative Subdivision Map or maps and/or Design Review approval, the City shall identify improvements necessary to develop the subject parcel. These improvements may include on and off-site roadways, water, sewer, storm drainage, landscaping, sound-walls, and other similar improvements.</p>	M	CD (E)(P)	<p>The Final Parcel Map that was approved by the City and recorded in Book 232 of Parcel Maps at Page 17 included a condition of approval that did not permit any development rights to the lands within the boundaries of the Parcel Map. The homebuilder in the Enclave at Folsom ranch subdivision has received Design Review Approval by the Planning Commission for the future residential units in the subdivision. The Enclave at Folsom Ranch subdivision Final Map is being approved as part of this resolution by the City Council. All required improvements for the subdivision are nearing completion and will be complete prior to issuance of the first building permit in the subdivision.</p>	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
196.	<p>The owner/applicant shall defend, indemnify, and hold harmless the City and its agents, officers and employees from any claim, action or proceeding against the City or its agents, officers or employees to attack, set aside, void, or annul any approval by the City or any of its agencies, departments, commissions, agents, officers, employees, or legislative body concerning the project. The City will promptly notify the owner/applicant of any such claim, action or proceeding, and will cooperate fully in the defense. The City may, within its unlimited discretion, participate in the defense of any such claim, action or proceeding if both of the following occur:</p> <ul style="list-style-type: none"> • The City bears its own attorney's fees and costs; and • The City defends the claim, action or proceeding in good faith <p>The owner/applicant shall not be required to pay or perform any settlement of such claim, action or proceeding unless the settlement is approved by the owner/applicant.</p>	OG	CD (P)(E)(B) PW, PR, FD, PD	The City standard subdivision improvement agreement includes language that satisfies this condition. The subdivision improvement agreement will be executed by the City Manager upon approval by the City Council.	Yes
197.	<p>Street Names The street names identified below shall be used for the Final Parcel Map: Scott Road, Easton Valley Parkway, New Placerville Road, and Placerville Road.</p>	M	CD (E)(P)	Three (3) of the four (4) street names required in this condition have been modified through other project approval and are revised as follows; Scott Road is now East Bidwell Street, Easton valley Parkway is now Alder Creek Parkway and New Placerville Road is now Westwood Drive.	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
198.	<i>Public Right of Way Dedication</i> As provided for in the Amended and Restated Development Agreement (ARDA) and the Amendment No. 1 thereto, the owner/applicant shall dedicate all public rights-of-way and corresponding public utility easements such that public access is provided to each and every lot as shown on the Tentative Parcel Map.	M	CD (E)(P)	The owner/applicant provided the required public right-of-way on the Final Parcel Map recorded in Book 232 of Parcel Maps at Page 17.	Yes
199.	<i>FMC Compliance</i> The Final Parcel Map shall comply with the Folsom Municipal Code and the Subdivision Map Act.	M	CD (E)	The Final Parcel Map was recorded in compliance with the approved tentative parcel map and the State Subdivision Map Act.	Yes
200.	<i>Single Phase</i> The Final Parcel Map shall be recorded in one phase.	M	CD(E)	The Final Parcel Map was recorded in one phase.	Yes
201.	<i>Validity</i> Pursuant to Government Code Section 66452.6, this approval shall be valid for a minimum term equal to the remaining term of the Development Agreement for the project, or for a period of thirty six months, whichever is longer, but in no event for a shorter period than the maximum period of time permitted by the Subdivision Map Act.	M	CD(E)	The City Council approved the Vesting Tentative Subdivision Map for the Enclave at Folsom Ranch on November 8, 2016. The Vesting Tentative Subdivision Map is valid until November 8, 2020.	Yes
202.	The owner/applicant shall provide public storm drainage easement to the City for the proposed interim basin and any other publicly maintained storm drainage improvement which may be constructed outside the proposed public street right-of-way. The public storm drainage easement (s) shall be shown on the Final Parcel Map.	M	CD (E)	The owner/applicant has eliminated the previously contemplated interim detention/hydro-modification basin and is currently constructing the permanent detention/hydro-modification basin. Therefore there is no requirement to provide an easement for the previously contemplated interim detention/hydro-modification basin.	

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
203.	The owner/applicant shall provide public water main easement to the City for the proposed pressure reducing valve station which will be required and will be constructed outside the proposed public street right-of-way of Easton Valley Parkway west of New Placerville Road. The public water main easement (s) shall be shown on the Final Parcel Map.	M	CD (E)	The owner/applicant provided the required public water main easement on the Final Parcel Map recorded in Book 232 of Parcel Maps at Page 17.	Yes
204.	The owner/applicant shall dedicate all necessary public rights-of way for the future alignment for the ultimate width for Scott Road. The public right-of-way dedication shall be shown on the parcel map. The owner/applicant shall be required to negotiate with the City for the proposed relinquishment of the property owned by the City for existing Scott Road. The City owns the existing land within the existing Right-of-Way limits of Scott Road. The City therefore reserves the right to seek reasonable compensation for those sections of property within the boundaries of Scott Road that are proposed to be abandoned as shown on the tentative parcel map. The relinquishment of those City owned portions of existing Scott Road shall be completed to the satisfaction of the City prior to approval of the Final Parcel Map.	M	CD (E)	The owner/applicant provided the required public water main easement on the Final Parcel Map recorded in Book 232 of Parcel Maps at Page 17.	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
205.	The owner/applicant shall provide written notice that Parcel 2 shall be encumbered by the construction of an interim detention/hydro-modification basin (interim basin) needed to serve proposed development on Parcel 1. The notice shall include a description of the proposed improvements, describe the required off-site permanent detention/water quality/hydro-modification improvements needed to be constructed in order to abandon the proposed interim basin and shall include a statement that development of Parcel 2 cannot proceed until such time the interim basin is removed to the satisfaction of the City. The notice shall be provided with a note on the parcel map and a recorded public storm drainage easement as required in Condition No. 205	M	CD (E), PW	The owner/applicant has eliminated the previously contemplated interim detention/hydro-modification basin and is currently constructing the permanent detention/hydro-modification basin. Therefore there is no requirement to provide the owner notification for the previously contemplated interim detention/hydro-modification basin.	Yes
206.	The owner/applicant shall pay all applicable taxes, fees and charges at the rate and amount in effect at the time such taxes, fees and charges become due and payable.	M	CD (P)(E)	The owner/applicant has paid all current taxes and fees associated with the Enclave at Folsom Ranch subdivision.	Yes
207.	If applicable, the owner/applicant shall pay off any existing assessments against the property, or file necessary segregation request and pay applicable fees.	M	CD (E)	The owner/applicant has paid all taxes and fees associated with this subdivision and filed a tax segregation request for applicable taxes.	Yes
208.	If the City utilizes the services of consultants to prepare special studies or provide specialized design review or inspection services for the project, the applicant shall reimburse the City for actual costs it incurs in utilizing these services, including administrative costs for City personnel. A deposit for these services shall be provided prior to initiating review of the building plans, improvement plans, or beginning inspection, whichever is applicable.	M	CD (P)(E)	The City has provided notice to the owner/applicant for various Consultants performing services for the development of this Phase 1 subdivision. The City has collected deposits in advance of such work for these services.	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
209.	This project shall be subject to all City-wide development impact fees, unless exempt by previous agreement. This project shall be subject to all City-wide development impact fees in effect at such time that a building permit is issued. These fees may include, but are not limited to, fees for fire protection, park facilities, park equipment, Humbug-Willow Creek Parkway, Light Rail, TSM, capital facilities and traffic impacts. The 90-day protest period for all fees, dedications, reservations or other exactions imposed on this project will begin on the date of final approval (October 19, 2016). The fees shall be calculated at the fee rate in effect at the time of building permit issuance.	M	CD (P)(E), PW, PK	The Owner/Applicant shall pay all required City fees and Plan Area wide fees prior to issuance of building permits.	Condition will be satisfied prior to issuance of a building permit.
210.	The City, at its sole discretion, may utilize the services of outside legal counsel to assist in the implementation of this project, including, but not limited to, drafting, reviewing and/or revising agreements and/or other documentation for the project. If the City utilizes the services of such outside legal counsel, the applicant shall reimburse the City for all outside legal fees and costs incurred by the City for such services. The applicant may be required, at the sole discretion of the City Attorney, to submit a deposit to the City for these services prior to initiation of the services. The applicant shall be responsible for reimbursement to the City for the services regardless of whether a deposit is required.	M	CD (P)(E)	The City has not yet utilized any outside services for any type of legal issues for this subdivision. If at any time during the development of this subdivision, any outside legal services were necessary, the owner/applicant would be required to conform to this condition.	Yes

**CONDITIONS OF APPROVAL FOR THE ENCLAVE AT FOLSOM RANCH SUBDIVISION PROJECT (PN 17-132)
 WEST OF PLACERVILLE ROAD, EAST OF EAST BIDWELL STREET,
 NORTH OF WHITE ROCK ROAD, AND SOUTH OF U.S. HIGHWAY 50
 TENTATIVE PARCEL MAP, VESTING TENTATIVE SUBDIVISION MAP, AND PLANNED DEVELOPMENT PERMIT**

	Condition / Mitigation Measure	When Required	Responsible Department	Comments	Condition Satisfied?
211.	The Enclave at Folsom Ranch Subdivision project shall be subject to all applicable mitigation measures and conditions of approval established for the Folsom Plan Area Specific Plan (FPASP) project and the Westland Eagle Specific Plan Amendment (WESPA) project. In the event that there are discrepancies between the FPASP and WEASP mitigation measures and conditions of approval, the WESPA mitigation measures and conditions of approval shall take precedence and be implemented to the satisfaction of the Community Development Department.	OG	CD (P)(E)(B) PW, PR, FD, PD	The Community Development Department has verified that the Enclave at Folsom Ranch subdivision has satisfied all applicable mitigation measures and conditions of approval established for the FPASP and the Westland Eagle Specific Plan Amendment.	Yes

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council Staff Report



MEETING DATE:	4/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10405 - A Resolution Amending the Financial Policies of the City of Folsom as Adopted by Resolution No. 7332 and Amended by Resolution No. 8367 Regarding Grant Administration
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

It is recommended that the City Council approve Resolution No. 10405 - A Resolution Amending the Financial Policies of the City of Folsom as Adopted by Resolution No. 7332 and Amended by Resolution No. 8367 Regarding Grant Administration.

BACKGROUND / ISSUE

On May 25, 2004, the City Council adopted Resolution 7332, a resolution adopting Financial Policies for the City of Folsom (see Attachment 3). A portion of this policy dealt with the strengthening of the City's financial position, including Intergovernmental Revenues, such as grants.

On September 9, 2008, the City Council adopted Resolution 8367, a resolution amending the Financial Policies of the City of the City of Folsom as adopted by Resolution 7332 regarding Grant Applications. Resolution 8367 modified the City's Financial Policies to permit the City Manager to review and approve grant applications that fall within the contract authority granted to the City Manager. (see Attachment 2).

During the Fiscal Year 2019 audit, the City's auditor recommended the City strengthen its policies and procedures regarding grant administration. As such, staff proposes to amend the Grants Administration section of Financial Policies so that the City is compliant with all applicable grant and audit requirements and will incorporate best practices as prescribed by our auditors and the Government Finance Officers Association (GFOA) (see Attachment 1).

POLICY / RULE

To provide policy direction for the City Manager and Finance Director in the prudent financial management of the City’s grants, and to clarify guidelines for staff concerning the financial management of the City’s grants.

ANALYSIS

The Government Finance Officers Association (GFOA) recommends that governments develop a formal grants policy and that the policy contain certain elements such as grant identification and application, strategic alignment, funding analysis, evaluation prior to renewal or grant continuation, and administrative and operational support.

The proposed modification of the Grant Financial Policy seeks to incorporate best practices as outlined by the GFOA as well as implement recommendations by the City’s auditors to establish an effective grants policy. By establishing an effective grants policy, the risk of potential and future grant funding being jeopardized is mitigated.

This proposed amendment significantly updates and strengthens the City’s Grant Financial Policy by spelling out the department’s and Finance’s roles and responsibilities.

FINANCIAL IMPACT

The adoption of this amendment will not have any negative financial impact but by establishing a more effective grants policy, the City will better ensure that it is compliant with all applicable grants and reduce the risk that grant funding is jeopardized.

ENVIRONMENTAL REVIEW

This Resolution is not a project as defined by CEQA and is therefore exempt.

ATTACHMENTS

1. Resolution 10405 - A Resolution Amending the Financial Policies of the City of Folsom as Adopted by Resolution No. 7332 and Amended by Resolution No. 8367 Regarding Grant Administration.
2. Resolution 8367 - A Resolution Amending the Financial Policies of the City of Folsom as Adopted by Resolution 7332 Regarding Grant Applications (approved September 9, 2008).
3. Resolution 7332 - A Resolution Adopting the Financial Policies of the City of Folsom (approved May 25, 2004).

Submitted,



Stacey Tamagni, Finance Director

ATTACHMENT 1

RESOLUTION NO. 10405

A RESOLUTION AMENDING THE FINANCIAL POLICIES OF THE CITY OF FOLSOM AS ADOPTED BY RESOLUTION NO. 7332 AND AMENDED BY RESOLUTION NO. 8367 REGARDING GRANT ADMINISTRATION

WHEREAS, On May 25, 2004, the City Council adopted Resolution 7332 and the Financial Policies for the City of Folsom; and

WHEREAS, On September 9, 2008, the City Council adopted Resolution 8367, a resolution amending the Financial Polices of the City regarding Grant Applications; and

WHEREAS, staff recommends the City Council modify a portion of the policy relating to Grant Administration to establish a more effective grants policy and to ensure departments work closely with the Finance Department to ensure grants are properly accounted for and maintained; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom that the proposed amendment to Section IX, Strengthening Financial Position, Section D.1. Grants, set forth on the attached Exhibit A is hereby adopted and made a part of the Financial Policies of the City of Folsom. All other policies as adopted May 25, 2004 remain in full force and effect.

PASSED AND ADOPTED this 14th day of April, 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

EXHIBIT A

D. Intergovernmental Revenues

1. Grants

The purpose of this policy is to set forth an overall framework for guiding the City's use and management of grant resources.

To ensure that the City is compliant with all applicable grant and audit requirements and future grant funding is not jeopardized, departments seeking to obtain grants should work closely with the Finance Department to ensure grants are properly accounted for and maintained.

a. Grant Applications

Grant application shall be the responsibility of the department seeking the grant. Grant applications which require an expenditure of funds by the City of less than or equal to the City Manager contract authority amount may be approved by the City Manager prior to submittal to the grantor. All other grant applications, including any requiring an ongoing commitment of resources or staff, shall be reviewed and approved by the City Council prior to submittal. In circumstances where it is not possible for the City Council to approve the grant application prior to submittal, the City Manager may approve the application subject to the City Council ratification as soon as practicable to do so.

Requests to the City Council or the City Manager for approval of a grant application shall identify anticipated long-term maintenance and/or renovation costs, required City matching funds, and additional personnel that may be needed if the grant is awarded for a capital project. With respect to grants for staffing, the source of funds for long-term staffing after the expiration of the grant shall also be identified in the request for approval of the grant application.

All grant applications on behalf of the City shall be reviewed by the Finance Director before submittal to the City Council or the grantor.

b. Grant Administration

Departmental Role

Departments seeking to obtain grants have the primary responsibility for successfully managing grant programs after they have been awarded. Once the department is notified that the City has been awarded a grant, it is their responsibility to:

- i. notify the Finance Department in a timely manner and provide Finance with copies of all grant award documents
- ii. maintain financial and other records in accordance with approved budgets and grant requirements and have those records available for review by the City's auditors
- iii. prepare requests for reimbursements in a timely manner as specified by the grant award, on at least a semi-annual basis and that correspond with the City's fiscal year end, and provide copies to Finance for review prior to submitting grant claims for reimbursement
- iv. ensure requests for reimbursements are segregated by expenditures for each grant and reviewed to ensure expenditures are not claimed more than once
- v. monitor grant expenditures and coordinate with Finance at year end to ensure all current year expenditures claimed under the grant are reported
- vi. complete grant closeout requirements and notify Finance when the project is complete
- vii. retain all necessary program and financial records for the required period
- viii. work with Finance to resolve any audit findings

Finance Department Role

The Finance Department will:

- i. provide initial training and on-going assistance to the departments to help ensure they are compliant with grant requirements
- ii. keep copies of all grant documents and make those documents available to the City's auditors as needed
- iii. monitor reimbursement requests to ensure they are submitted in a timely manner, on at least a semi-annual basis, and review the reimbursements for accuracy and completeness
- iv. identify and segregate costs as necessary for the grant
- v. ensure the City has adequate cash flow and local matching funds if required to complete projects
- vi. coordinate with departments at year end to ensure all current year expenditures claimed under the grant are reported
- vii. lead efforts to help resolve any audit findings

c. Grant Project Resolutions

All grants received from the Federal or State government for operating or capital purposes shall be recognized in separate grant project resolutions. A balanced grant project resolution must be adopted prior to beginning the project. A grant project resolution is balanced when estimated expenditures do not exceed estimated revenue. Information on each grant project resolution shall be included in the Annual Budget.

ATTACHMENT 2

RESOLUTION NO. 8367

**A RESOLUTION AMENDING THE FINANCIAL POLICIES OF THE
CITY OF FOLSOM AS ADOPTED BY RESOLUTION 7332
REGARDING GRANT APPLICATIONS**

WHEREAS, on May 25, 2004, the City Council adopted Resolution 7332 and the Financial Policies of the City of Folsom; and,

WHEREAS, the City Council now desires to modify a portion the policy relating to Grant Applications to permit the City Manager to review and approve grants within the contract authority granted to the City Manager;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Folsom that the proposed amendment to Section IX, Strengthening Financial Position, Section D.1. Grants, set forth on the attached Exhibit A is hereby adopted and made a part of the Financial Policies of the City of Folsom. All other policies as adopted May 25, 2004 remain in full force and effect.

PASSED AND ADOPTED on this 9th day of September, 2008, by the following roll-call vote:

- AYES:** Council Members: Morin, Starsky, Howell, King
- NOES:** Council Members: None
- ABSTAIN:** Council Members: None
- ABSENT:** Council Members: Miklos


Eric S. King, MAYOR

ATTEST:


Christa Schmidt, CITY CLERK

EXHIBIT A

a. Grants

1. *Grant applications which require an expenditure of funds by the City of less than or equal to the City Manager contract authority amount may be approved by the City Manager prior to submittal to the grantor. All other grant applications, including any requiring an ongoing commitment of resources or staff, shall be reviewed and approved by the City Council prior to submittal. In circumstances where it is not possible for the City Council to approve the grant application prior to submittal, the City Manager may approve the application subject to the City Council ratification as soon as practicable to do so.*
2. Requests to the City Council *or the City Manager* for approval of a grant application shall identify anticipated long-term maintenance and/or renovation costs, required City matching funds, and additional personnel that may be needed if the grant is awarded for a capital project. With respect to grants for staffing, the source of funds for long-term staffing after the expiration of the grant shall also be identified in the request for approval of the grant application.

b. Grant Administration – No proposed changes

c. Grant Project Resolutions – No proposed changes

d. Review by Finance Department

All grant applications on behalf of the City shall be reviewed by the Finance Director before submittal to the City Council, *the City Manager*, or the grantor.

ATTACHMENT 3

RESOLUTION NO. 7332

A RESOLUTION ADOPTING THE FINANCIAL POLICIES OF THE CITY OF FOLSOM: FINANCIAL PLANNING, BUDGET PREPARATION, BUDGET MANAGEMENT, UNDESIGNATED FUND BALANCE (RESERVE), CAPITAL IMPROVEMENT PLAN, PRESERVING CAPITAL INVESTMENT, DEBT MANAGEMENT, STRENGTHENING FINANCIAL POSITION, INVESTMENTS, FINANCIAL REPORTING, PRODUCTIVITY, AND RISK MANAGEMENT

WHEREAS, it is prudent to adopt financial policies to guide staff in evaluating financial implications of program and policy recommendations to the City Council; and

WHEREAS, the financial policies also serve as parameters for City Council action to ensure a long-term, stable economic base for the City; and

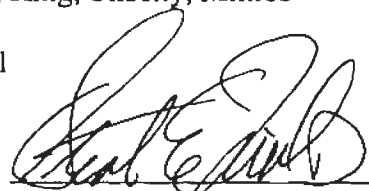
WHEREAS, the financial policies are intended to be applied in conjunction with requirements set forth in federal and state law, the City Charter, the Folsom Municipal Code and Generally Accepted Accounting Principles (GAAP), and in the case of any conflict, the provisions of such laws, ordinances or GAAP will control; and

WHEREAS, the Financial Policies of the City of Folsom have been presented to the City Council for review, comment and direction to staff,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom hereby adopts the Financial Policies of the City of Folsom: Financial Planning, Budget Preparation, Undesignated Fund Balance (Reserve), Capital Improvement Plan, Preserving Capital Investment, Debt Management, Strengthening Financial Position, Investments, Financial Reporting, Productivity, and Risk Management.

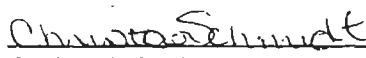
PASSED AND ADOPTED this, 25th day of May, 2004 by the following roll call vote:

AYES:	Council Member(s)	Morin, King, Starsky, Miklos
NOES:	Council Member(s)	None
ABSENT:	Council Member(s)	Howell
ABSTAIN:	Council Member(s)	None



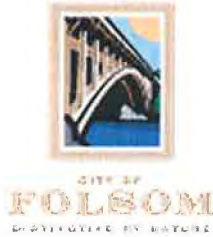
Stephen E. Miklos, MAYOR

ATTEST:



Christa Schmidt, CITY CLERK

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Folsom City Council Staff Report

MEETING DATE:	4/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10407 - A Resolution Authorizing the City Manager to Execute a Construction Agreement with Central Valley Engineering and Asphalt, Inc. for the East Bidwell Street Widening and Sidewalk Project and Appropriation of Funds
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 10407 - A Resolution Authorizing the City Manager to Execute a Construction Agreement with Central Valley Engineering & Asphalt, Inc. for the East Bidwell Street Widening and Sidewalk Project and Appropriation of Funds.

BACKGROUND / ISSUE

The proposed East Bidwell Street Widening and Sidewalk Project will widen the existing East Bidwell Street from two to three lanes and fill in sidewalk gaps on each side of the street between Woodsmoke Way and 300 feet east of Bluestone Circle. In addition, traffic signal fiber optic interconnect will be installed between Oak Avenue Parkway and Bluestone Circle, allowing those two traffic signals to be coordinated resulting in improved traffic flow through the corridor.

The project will include minor repair and alterations of an existing City public street (i.e., East Bidwell Street) to provide a complete sidewalk and street connection, including curb, gutters and bike lane. The project is consistent with the City of Folsom General Plan, all applicable policies in the General Plan, the Circulation Element, as well as the applicable zoning designation and regulations.

The existing Oak Tree located adjacent to the Fieldstone Meadows subdivision will be protected in place by a permanent retaining wall. The City arborist will be consulted during the construction of the project to ensure minimum disturbance to the tree.

An integral component of the Project to widen East Bidwell Street required acquisition of property from two private property owners. Appraisals were performed on both properties and multiple offers, both fair market value and an increase to the council authorized allowable limit, were made to the property owners.

Notwithstanding staff's efforts in negotiating with the private property owners, the City of Folsom was unsuccessful in purchasing and acquiring the property necessary for the Project.

As a result, Government Code section 37350.5 and Code of Civil Procedure section 1240.010 were followed, which allows cities to acquire property by eminent domain for public use. On February 26, 2019 the City Council adopted Resolutions 10244 and 10245, which declared public necessity for the taking of certain property for the project.

Following the legal condemnation cases, the City received pre-judgement possessions in both cases. These orders allow the City to begin construction on both subject parcels.

POLICY / RULE

Section 2.36.080, Award of Contracts of the Folsom Municipal Code states, in part, that contracts for supplies, equipment, services and construction with an estimated value of \$62,014 or greater shall be awarded by City Council.

ANALYSIS

The project design was performed by Drake Haglan and Associates, Inc. Public Works staff publicly advertised the project on February 18, 2020. On March 12, 2020, the Public Works Department received the following bids:

1. Central Valley Engineering & Asphalt	\$ 687,686
2. Sierra National Construction	\$ 831,269
3. McGuire and Hester	\$ 815,728
4. B&M Builders	\$ 915,182
5. Martin Bros Construction	\$ 1,001,796.50
6. Gabe Mendez	\$ 1,014,844.50
7. Dutch Contracting	\$ 1,039,634

The Engineer's Estimate for this project was \$669,000. The Public Works Department has found the bids to be in order and recommends that the contract be awarded to the low-bidder, Central Valley Engineering and Asphalt, Inc. Staff will use the City's standard agreement in a form acceptable to the City Attorney.

FINANCIAL IMPACT

The contract with Central Valley Engineering and Asphalt, Inc. would be authorized for \$687,686 with the budgeted amount for this agreement to be \$756,455 which will include a ten percent contingency amount of \$68,769 for potential change orders. The current approval project budget is \$595,979, and the additional appropriation will increase the total project budget to \$922,434.

Funds in the amount of \$430,000 are budgeted and available in the East Bidwell Widening and Sidewalk Project No. PW1603. An additional appropriation from the Transportation Impact Fund (Fund 446) in the amount of \$326,455 is needed to fully fund the project. Sufficient funds are available in the Transportation Impact Fund for this appropriation. This appropriation is required largely due to the addition of the fiber optic interconnect addition to the project.

ENVIRONMENTAL REVIEW

On November 27, 2018 the City Council adopted Resolution 10210, determining that the East Bidwell Street Widening and Sidewalk Project is exempt from the California Environmental Quality Act (CEQA) based on the following Categorical Exemptions:

Section 15301 Class 1 (c): Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities.

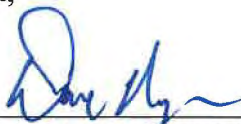
Section 15332 Class 32: Consists of projects characterized as in-fill development.

The project is not located in an environmentally sensitive area and would not result in potential impacts to the environment, including traffic, noise, air quality and water quality.

ATTACHMENTS

1. Resolution No. 10407 - A Resolution Authorizing the City Manager to Execute a Construction Agreement with Central Valley Engineering and Asphalt, Inc. for the East Bidwell Street Widening and Sidewalk Project and Appropriation of Funds.

Submitted,



Dave Nugen, PUBLIC WORKS DIRECTOR

RESOLUTION NO. 10407

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSTRUCTION AGREEMENT WITH CENTRAL VALLEY ENGINEERING AND ASPHALT, INC. FOR THE EAST BIDWELL WIDENING AND SIDEWALK PROJECT AND APPROPRIATION OF FUNDS

WHEREAS, the City of Folsom desires to widen both sides of East Bidwell Street in the vicinity of Woodsmoke Way and Bluestone Circle; and

WHEREAS, the City of Folsom desires to install fiber optic traffic signal interconnect infrastructure on East Bidwell Street between Bluestone Circle and Oak Avenue Parkway to improve traffic efficiency through the corridor; and

WHEREAS, this Project was publicly advertised, and the bids were received on March 12, 2020, with Central Valley Engineering and Asphalt, Inc. being the lowest responsible bidder; and

WHEREAS, this City received pre-judgement possession orders that allow the City and Contractors access onto adjacent properties; and

WHEREAS, funds in the amount of \$430,000 are budgeted and available in East Bidwell Widening and Sidewalk Project No. PW1603, for Fiscal Year 2019-20; and

WHEREAS, an additional appropriation will be required in the amount of \$326,454 from the Transportation Impact Fund (Fund 446) for a total project budget of \$922,434; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney: (as applicable to contracts)

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute a construction agreement with Central Valley Engineering and Asphalt, Inc. for the East Bidwell Widening and Sidewalk Project in the amount of \$687,686, with the budgeted amount to include a ten percent contingency for a total not-to-exceed amount of \$756,454; and,

BE IT FURTHER RESOLVED that the Finance Director is directed to appropriate \$326,454 from the Transportation Impact Fund (Fund 446) for the East Bidwell Widening and Sidewalk Project No. PW1603 for a total project budget of \$922,434.

PASSED AND ADOPTED this 14th day of April 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):

ABSTAIN: Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

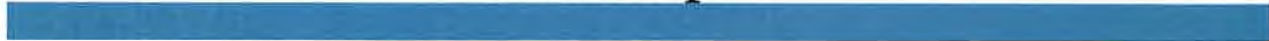
Christa Freemantle, CITY CLERK

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CITY OF
FOLSOM
DISTINCTIVE BY NATURE

Folsom City Council Staff Report



MEETING DATE:	4/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10412 - Authorizing the Police Department to Accept a State of California, Department of Public Health, Food and Drug Branch, Tobacco Enforcement Section, Stop Tobacco Access To Kids Enforcement Grant In The Amount Of \$102,606.20 and Appropriation of Funds
FROM:	Police Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends that the City Council approve Resolution No. 10412 - Authorizing the Police Department to Accept a State of California, Department of Public Health, Food and Drug Branch, Tobacco Enforcement Section, Stop Tobacco Access To Kids Enforcement Grant in the Amount of \$102,606 and Appropriation of Funds

BACKGROUND / ISSUE

Recent legislation has raised the minimum age for purchase of tobacco products to 21 years. The Folsom Police Department faces the challenges associated with irresponsible furnishing and sale of tobacco products to minors within city limits. Programs associated with these efforts include the education of licensees, officers, other stakeholders, community members, and through the vigorous enforcement of applicable laws.

The goal of the Stop Tobacco Access to Kids Enforcement (S.T.A.K.E.) Grant is to provide financial assistance to local law enforcement agencies to expand their efforts in the reduction and elimination of illegal purchase and consumption of tobacco products by persons under 21 years. In order to accomplish these goals, the Folsom Police Department has been awarded a S.T.A.K.E. Grant in the amount of \$102,606.

These funds will be used to reimburse the Folsom Police Department for costs incurred while officers conduct tobacco related enforcement operations and community/licensee outreach. The grant will also fund the purchase of materials and equipment in support of the Police Department's tobacco enforcement efforts. There are no matching funds requirements associated with this grant and the grant activity period runs from July 1, 2020 through June 30, 2023

POLICY / RULE

This grant acceptance and appropriation of funds requires City Council approval.

ANALYSIS

By participating in the Stop Tobacco Access to Kids Enforcement grant program, the Police Department seeks to provide education and training for licensees and other community stakeholders, reduce and eliminate the illegal purchase and consumption of tobacco products by minors, and most importantly, deter minors from obtaining and using tobacco products in the City of Folsom.

This is the first year that the Folsom Police Department has been awarded this grant. The Folsom Police Department will work with community partners, school officials, local business owners, and the public on prevention and intervention initiatives. The department will conduct enforcement activities and work with violators to ensure compliance. A document will be maintained to capture the baseline data, tracking data points, and details of the operations and/or actions that will be taken in the compliance efforts to demonstrate measurable outcomes.

In order to achieve these goals, the Folsom Police Department will purchase or produce various materials to be used for education and training. These educational items will minimally include brochures, placards and information bulletins. Additionally, the department will conduct operations to ensure compliance by businesses and patrons.

FINANCIAL IMPACT

There is no fiscal impact associated with this grant. Overtime, operating expenses, and equipment costs related to work done under the S.T.A.K.E. grant will be reimbursed by the state of California Department of Public Health, Food and Drug Branch, Tobacco Enforcement Section. The grant funding as well as associated expenses will require an appropriation in FY 2020-21 in the General Fund (Fund 010) Budget in the Police Department. The requested appropriation for FY 2020 – 21 is \$36,869, the expenses and revenue will be included in the FY 2021-22 and 2022-23 during the budget process for those fiscal years.

ATTACHMENT

Resolution No. 10412 - Authorizing the Police Department to Accept a State of California, Department of Public Health, Food and Drug Branch, Tobacco Enforcement Section, Stop Tobacco Access To Kids Enforcement Grant In The Amount Of \$102,606 and Appropriation of Funds

Submitted,

Richard Hillman, Chief of Police

RESOLUTION NO. 10412

A RESOLUTION AUTHORIZING THE POLICE DEPARTMENT TO ACCEPT A STATE OF CALIFORNIA, DEPARTMENT OF PUBLIC HEALTH, FOOD AND DRUG BRANCH, TOBACCO ENFORCEMENT SECTION, STOP TOBACCO ACCESS TO KIDS ENFORCEMENT (S.T.A.K.E.) GRANT IN THE AMOUNT OF \$102,606 AND APPROPRIATION OF FUNDS

WHEREAS, the City of Folsom’s Mission is to provide a safe, healthy, and vibrant community through innovation, responsive, and effective delivery of services to maintain and enhance the quality of life of our residents; and,

WHEREAS, the City of Folsom’s Core Values support innovations; and,

WHEREAS, the Police Department believes the program will enhance and expand public safety efforts; and,

WHEREAS, grant monies are available to fund this program and improve the quality of life in Folsom;and,

WHEREAS, the grant period is from July 1, 2020 through June 30, 2023.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom hereby authorizes the acceptance of a California Department of Public Health Stop Tobacco Access to Kids Enforcement grant in the amount of \$102,606. The City Manager or her designee is hereby authorized to execute all necessary grant agreements; and

BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate an additional \$ \$36,869 in FY 2020-21in the General Fund (Fund 010) in the Police Department as expense and grant revenue.

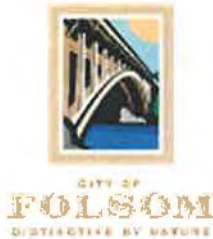
PASSED AND ADOPTED this 14th day of April, 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK



Folsom City Council Staff Report

MEETING DATE:	4/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10413 – A Resolution Authorizing Adoption of an Addendum to the Memorandum of Understanding between the City of Folsom and the Folsom Middle Management Group
FROM:	City Manager's Office and Human Resources Department

RECOMMENDATION / CITY COUNCIL ACTION

The Human Resources Director recommends that the City Council pass and adopt Resolution No. 10413 - A Resolution authorizing Adoption of an Addendum to the Memorandum of Understanding between the City of Folsom and the Folsom Middle Management Group for the period from January 1, 2020 thru December 31, 2022.

BACKGROUND / ISSUE

FMMG represents 45 employees in the Miscellaneous category that includes Managers, Supervisors, and Professionals. It represents employees whose base salaries total over \$4.6 million.

The existing Memorandum of Understanding between the City of Folsom and the FMMG does not address issues that are due to recent federal legislation and the COVID-19 pandemic. The parties discussed approaches to these issues and FMMG signed an Addendum on March 31, 2020.

The Addendum to the Memorandum of Understanding (MOU) is being presented to the City Council on April 14, 2020 for consideration and approval.

POLICY / RULE

Government Code Title 1, Division 4, Chapter 10 commonly known as the Meyers-Milias-Brown Act requires that representatives of the Governing Body of a public agency shall meet

and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations. Both parties shall endeavor to reach a tentative agreement within the scope of representation, and, if a tentative agreement is reached and ratified by the respective parties, they shall prepare a written memorandum of understanding.

ANALYSIS / FINANCIAL IMPACT

The Addendum grants employees in the FMMG bargaining unit an Emergency Leave Benefit (ELB) of 512 hours. This ELB for absences due to the inability to work or telework because of COVID-19 related conditions or other reasons as specified in the federal Emergency Paid Sick Leave Act and the federal Public Health Emergency Leave Act.

ELB shall be paid based on 100% of the employee’s regular pay.

The ELB can be used before an employee utilizes any other paid leave benefit provided by the City.

ELB’s shall not carry over beyond December 31, 2020 to the next year, there is no cash-out value, there is no use at the time of separation of employment, and it cannot be donated to catastrophic leave or transferred to another employee for any reason.

The Addendum shall be effective April 1, 2020 and shall expire on December 31, 2020.

The ELB will not have a fiscal impact on the 2019-2020 budget as it can be expected that all members of the bargaining unit would have been in paid status for the year. It will allow the employees to carry over their regular accrued leave time to next fiscal year and may have an impact then.

ATTACHMENTS

- 1. Resolution No. 10413 – A Resolution Authorizing Adoption of an Addendum to the Memorandum of Understanding between the City of Folsom and the Folsom Middle Management Group.
- 2. Proposed Addendum to the Memorandum of Understanding between the City of Folsom and the Folsom Middle Management Group for the term of January 1, 2020 thru December 31, 2022.

Submitted,

James Francis,
Asst. City Manager/ Director of Human Resources

ATTACHMENT 1

**RESOLUTION NO. 10413 – A RESOLUTION AUTHORIZING ADOPTION OF AN
ADDENDUM TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE
CITY OF FOLSOM AND THE FOLSOM MIDDLE MANAGEMENT GROUP**

RESOLUTION NO. 10413

A RESOLUTION AUTHORIZING ADOPTION OF AN ADDENDUM TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF FOLSOM AND THE FOLSOM MIDDLE MANAGEMENT GROUP

WHEREAS, the City of Folsom and the Folsom Middle Management Group have reached an agreement to amend the existing Memorandum of Understanding regarding certain terms and conditions of employment:

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom that the Addendum to the Memorandum of Understanding (MOU) between the Folsom Middle Management Group for the term of January 1, 2020 to December 31, 2022 is hereby approved, and

BE IT FURTHER RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute said Addendum to the Memorandum of Understanding on behalf of the City of Folsom.

PASSED AND ADOPTED this 14th day of April 2020 by the following roll-call vote:

AYES: Council Member(s):

NOES: Council Member(s):

ABSENT: Council Member(s):

ABSTAIN: Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

ATTACHMENT 2

**Proposed Addendum to the Memorandum of Understanding
between the City of Folsom and the Folsom Middle Management
Group for the term of January 1, 2020 thru December 31, 2022.**

COVID-19 Pandemic Addendum To

2019-2022

Memorandum of Understanding (MOU)

Between

City of Folsom and Folsom Middle Management Group (FMMG)

The Parties hereby agree to the following:

It is the intent of this Addendum to satisfy the benefit requirements of the federal Public Health Emergency Leave Act (the Act) and the federal Emergency Paid Sick Leave Act (EPSLA).

Effective April 1, 2020, the City shall provide employees in the Folsom Middle Management Group (Article I, Section 1 of the MOU) with up to 512 hours of paid time off (Emergency Leave Benefit, or ELB) for absences due to the inability to work or telework because of COVID-19 related conditions or other reasons as specified in the EPSLA and the Act.

This temporary emergency leave benefit is being provided to (1) help ease the economic stress caused by the COVID-19 pandemic, (2) meet the requirements of EP5LA and (3) meet the requirements of the Act.

The following terms shall apply:

- A. Eligible employees shall mean all employees in the Folsom Middle Management Group as of March 31, 2020 or hired in the period of April 1, 2020 thru December 31, 2020, except for employees who are “emergency responders” as defined by the federal Department of Labor (DOL) who are exempt from the Public Health Emergency Leave Act (the ACT). Those “emergency responders” shall, however, be eligible for the Emergency Leave Benefit, except as it applies or refers to the Act.
- B. Five Hundred and Twelve (512) hours of temporary ELB (the hours to be prorated per permanent part-time positions) shall be granted to each employee, not 80 as provided by the EPSLA and 400 as provided by the Act.
- C. ELB shall be paid based on 100% of the employee’s regular pay (like compensation paid to employees when using annual leave), not on the lower amounts and caps as specified by the EPSLA and the Act.

- D. Employees shall be entitled to utilize ELB for absences due to the inability to work or telework because of COVID-19 related conditions or other reasons as specified in the EPSLA and the Act, before they can be required to utilize any other paid leave benefit provided by the City.
- E. Employees shall be available during their normal and customary work schedule to perform work assignments as determined by their department director.
- F. Employees who wish to be on vacation or are sick or injured for non-COVID-19 reasons shall use their annual or sick leave rather than ELB.
- G. ELB shall run concurrently with FMLA Public Health Emergency Leave. An employee may choose to use ELB during the first 10 days of FMLA Public Health Emergency Leave which is, by law, unpaid.
- H. Employees may use ELB from April 1, 2020 thru December 31, 2020 for absences due to the inability to work or telework because of COVID-19 related conditions or other reasons specified in the EPSLA and the Act.
- I. Unused ELB shall not carry over beyond December 31, 2020 to the next year.
- J. There is no cash-out value to any ELB time.
- K. There is no use of any unused ELB at the time of separation of employment or beyond December 31, 2020.
- L. ELB cannot be donated to catastrophic leave or transferred to another employee for any reason.
- M. Use of ELB will count towards use of FMLA leave but any FMLA leave prior to April 1, 2020 will not reduce the amount of ELB.

The City retains the right to determine “essential services and duties”, to make work assignments, to determine if an employee can work at home or must come in to the job location, to telework, to schedule working hours, and whether or not employees are working full-time or part-time. While the City may meet and discuss such actions with FMMG, this Addendum shall not be subject to Article X, Grievance Procedure, of this MOU or any other appeal process.

This Addendum shall be effective April 1, 2020 and shall expire on December 31, 2020.

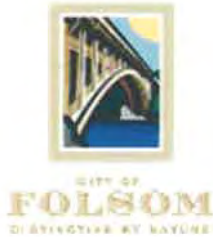
City of Folsom:

For FMMG:

Elaine Andersen
City Manager

Daniel Wolfe
FMMG President

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Folsom City Council Staff Report



MEETING DATE:	4/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10416 – A Resolution Authorizing the City Manager to Execute an Agreement with James Day Construction Inc., a California Corporation, dba Coastal Mountain Electric for Construction of the Zone 4 Generator Improvement Project and Appropriation of Funds
FROM:	Environmental and Water Resources Department

RECOMMENDATION / CITY COUNCIL ACTION

The Environmental and Water Resources Department recommends that the City Council pass and adopt Resolution No. 10416 - A Resolution Authorizing the City Manager to Execute an Agreement with James Day Construction Inc., a California Corporation, dba Coastal Mountain Electric for Construction of the Zone 4 Generator Improvement Project and Appropriation of funds.

BACKGROUND / ISSUE

The Environmental and Water Resources Department identifies water infrastructure rehabilitation and replacement projects through water master plans, ongoing water condition assessment programs, and regulatory changes. As a condition of California Statutes related to drinking water, Title 22 of the California Code of Regulations, the Environmental and Water Resources Department is required to perform ongoing condition assessments of the water system and correct any defects or deficiencies identified through this process. Through these efforts, City staff identified the Zone 4 Booster Pump Station (BPS) as needing rehabilitation.

Currently the Zone 4 BPS has three pumps capable of pumping water from Zone 3 into Zone 4 and the Broadstone Reservoir and is used during higher demand periods. During testing and maintenance at the Zone 4 BPS, it was determined that the emergency generator at the Zone 4

BPS is undersized for the current and future needs of the pump station and is not capable of operating all of the required pumps in an emergency situation.

This resolution will authorize the City Manager to execute an agreement with James Day Construction Inc., a California corporation, dba Coastal Mountain Electric for the construction of the Zone 4 Generator Improvement Project and Appropriation of Funds.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, professional services costing \$62,014 or greater shall be awarded by the City Council.

ANALYSIS

The Zone 4 Generator Improvement Project allows the City to modify the existing Zone 4 BPS by replacing the generator and associated electrical components to allow the City to operate two of the three pumps in an emergency power loss to fill the Zone 4 water reservoirs.

The City completed plans and specifications for this project and publicly advertised for bids on March 17, 2020. In addition, the City provided these documents to CIPIst.com which is also picked up by several area builders' exchanges. The Environmental and Water Resources Department received the following bids on April 3, 2020 for construction of the Zone 4 Generator Improvement Project:

Contractor	Bid Amount
James Day Construction, Inc. dba Coastal Mountain Electric	\$183,948
Sauren Construction and Electric	\$219,750
TCB Industrial, Inc.	\$229,000
Cabar Electric, Inc.	\$233,371
Fort Bragg Electric, Inc.	\$233,823
BWD Construction, Inc. dba BWD General Engineering Contractors	\$236,800
Division 5-15	\$237,515
Big Valley Electric	\$258,000
Vellutini Corporation dba Royal Electric Company	\$264,264
Syblon Reid General Engineering Contractors	\$266,000
Day's Generator Service, Inc.	\$275,000
HA Construction	\$275,000
Construction H, Inc.	\$317,000

Staff has reviewed the bids submitted and has determined that James Day Construction Inc., a California corporation, dba Coastal Mountain Electric is the lowest responsible and responsive bidder who meets the requirements and specifications set forth in the invitation for bids. The engineers estimate for this project was \$290,000.

FINANCIAL IMPACT

The Environmental and Water Resources Department recommends that the contract be awarded to the lowest responsible, responsive bidder, James Day Construction Inc., a California corporation, dba Coastal Mountain Electric, for \$183,948 with the project budgeted for this agreement in the amount of \$202,343, which will include a 10% contingency in the amount of \$18,395.

Approximate project costs to date, which include pre-design, design and bid assistance services, construction management and inspection services total approximately \$43,363 and were covered by existing on-call services contracts for design. An additional appropriation will be needed for construction costs, and staff is requesting an appropriation of \$202,343 for the total project construction budget. This appropriation will be in the Water Operating Fund (Fund 520) and funds are available for this appropriation.

ENVIRONMENTAL REVIEW

This project is a rehabilitation project of existing infrastructure and therefore, is categorically exempt from environmental review under the California Environmental Quality Act as noted in Title 14 – California Code of Regulations, Chapter 3 – Guidelines for Implementation of the California Environmental quality Act, Article 19 – Categorical Exemptions, Section 15302 – Replacement or Reconstruction.

ATTACHMENTS

Resolution No. 10416 - A Resolution Authorizing the City Manager to Execute an Agreement with James Day Construction Inc., a California Corporation, dba Coastal Mountain Electric for the Construction of the Zone 4 Generator Improvement Project and Appropriation of Funds.

Submitted,

Marcus Yasutake, Director
Environmental and Water Resources Department

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH JAMES DAY CONSTRUCTION INC., A CALIFORNIA CORPORATION, DBA COASTAL MOUNTAIN ELECTRIC FOR CONSTRUCTION OF THE ZONE 4 GENERATOR IMPROVEMENT PROJECT AND APPROPRIATION OF FUNDS

WHEREAS, during testing and maintenance, it was determined that the emergency generator at the Zone 4 BPS needs to be upgraded; and

WHEREAS, the City of Folsom has identified this project as a priority to maintain the integrity and operation of the City’s water system; and

WHEREAS, this project is categorically exempt from environmental review under the California Environmental Quality Act; and

WHEREAS, plans and specifications were prepared for this work and publicly advertised for bids on March 17, 2020; and

WHEREAS, James Day Construction Inc., a California corporation, dba Coastal Mountain Electric was the lowest responsive bidder, with an amount of \$183,948; and

WHEREAS, an appropriation in the amount of \$202,343 is needed for the project budget and sufficient funds are available in the Water Operating Fund (Fund 520); and

WHEREAS, the agreement will be in a form acceptable to the City Attorney:

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute agreement with James Day Construction Inc., a California corporation, dba Coastal Mountain Electric for the construction of the Zone 4 Generator Improvement Project for a not-to-exceed amount of \$183,948 with the budgeted amount to include a 10% contingency for a total of \$202,343; and,

BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate \$202,343 in the Water Operating Fund (Fund 520) for a total project budget of \$202,343.

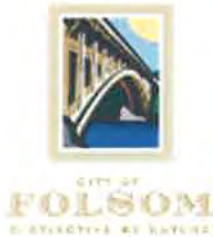
PASSED AND ADOPTED this 14th day of April, 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK



Folsom City Council Staff Report

MEETING DATE:	4/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10418- A Resolution Adopting an Updated Fee Schedule by Adding “Patient Assessment/Treatment- No Transport” to the Ambulance Cost Recovery Program Provided by the Fire Department
FROM:	Fire Department

RECOMMENDATION / CITY COUNCIL ACTION

The Fire Department recommends that the City Council pass and adopt Resolution No. 10418 - A Resolution Adopting an Updated Fee Schedule by Adding “Patient Assessment/Treatment- No Transport” to the Ambulance Cost Recovery Program Provided by the Fire Department.

BACKGROUND / ISSUE

The Fire Department provides twenty-four hour emergency medical response and ground ambulance transportation to the citizens and visitors of Folsom. Automatic and mutual aid is also provided to adjoining agencies in Sacramento, El Dorado, and Placer Counties upon request. The City’s ambulance program is supported by the General Fund with a major portion of the expenses offset by service fees collected for ambulance transportation to area hospitals.

The Fire Department currently operates three ground ambulances in the City on a daily basis. The three ground ambulances respond to fire and emergency medical incidents throughout the City and are also routinely dispatched as part of the Sacramento Regional Fire/EMS Communications Center Joint Powers Authority to surrounding communities to assist in transporting injured and ill persons to area hospitals.

Due to the novel Coronavirus (COVID-19), the ambulance providers within Sacramento County are able to provide emergency medical services (EMS) for suspected COVID-19 patients who are at their place of residence without having to transport them to a local hospital, which will ultimately allow hospital beds to be available for patients who need them most.

The current fee schedule for emergency ground ambulance transportation services as adopted in Resolution No. 10282 on June 11, 2019, does not include a fee option for “patient assessment/treatment- no transport.” The individual fees adopted within that resolution were equal to the average fee charged by the other ambulance transportation providers in Sacramento County, the South Placer Fire District, and the El Dorado County Ambulance Joint Powers Authority (JPA).

POLICY / RULE

Folsom Municipal Code - 3.25.020 Service Charges. The fees for emergency ground ambulance transportation services shall be established by resolution of the City Council (Ord. 524 § 1, 1984). The City, as the designated Emergency Medical Service (EMS) provider in the City of Folsom, may charge for emergency ground ambulance services and supplies used in providing such services.

ANALYSIS

The Fire Department completed a survey of the fees charged by other ambulance transportation providers within Sacramento County, the South Placer Fire Protection District, and the El Dorado County Ambulance JPA, to determine a reasonable fee for a patient assessment and/or treatment where a patient transport is not conducted. The survey resulted in all other ambulance providers having a fee to perform this type of service for COVID-19 related responses or other responses where patient transportation is not conducted. Additionally, it was confirmed that our third-party ambulance billing company already has the ability to submit this type of invoice to insurance companies, Medi-Cal, and Medicaid for cost recovery.

The following table is a sample of service fees charged by pre-hospital emergency ambulance providers throughout the region specific to a patient assessment and/or treatment where a patient transport was not conducted. The current and proposed City of Folsom “patient assessment/treatment- no transport” ambulance fees are listed below for comparison with the public agencies in the region.

**Sacramento, Placer, and El Dorado Area “Patient Assessment/Treatment- No Transport”
Ambulance Cost Comparison Survey**
(ALS=Advanced Life Support)

Agency	Patient Assessment/Treat, Non-Transport
Sacramento Metro Fire District	\$393.00
City of Sacramento Fire Dept.	\$283.23
Cosumnes CSD Fire Dept.	\$431.00
South Placer Fire District	\$283.50
El Dorado County Ambulance JPA	\$445.00
City of Folsom Fire (Current)	\$0.00
Regional Average	\$367.15
City of Folsom Fire (Proposed)	\$367.15

The updated ambulance transportation fee schedule will include previously adopted fees as listed within Resolution No. 10282 and the addition of a fee for patient assessment and/or treatment where no transport was conducted. The proposed fee of \$367.15 does not exceed the cost of providing patient assessment and/or treatment by Fire Department emergency medical personnel, and the revenue will be used to partially offset annual operating expenses within the Fire Department to provide this level of service to the community during the COVID-19 health crisis and into the future if this type of service is provided. Staff recommends that the updated fee schedule become effective immediately to allow for cost recovery for this type of service to be conducted.

ATTACHMENT

Resolution No. 10418 - A Resolution Adopting an Updated Fee Schedule by Adding “Patient Assessment/Treatment- No Transport” to the Ambulance Cost Recovery Program Provided by the Fire Department

Respectfully submitted,

Felipe Rodríguez, FIRE CHIEF

RESOLUTION NO. 10418

A RESOLUTION ADOPTING AN UPDATED FEE SCHEDULE BY ADDING “PATIENT ASSESSMENT/TREATMENT- NO TRANSPORT” TO THE AMBULANCE COST RECOVERY PROGRAM PROVIDED BY THE FIRE DEPARTMENT

WHEREAS; the Fire Department provides emergency ground ambulance services to the residents of the City of Folsom, and,

WHEREAS; the Fire Department provides emergency ground ambulance services to neighboring communities through its membership in the Sacramento Regional Fire/EMS Communications Center Joint Powers Authority; and,

WHEREAS; the novel Coronavirus (COVID-19) has resulted in a different method for the Fire Department to provide emergency medical services to a patient without having to transport them to a local hospital, and,

WHEREAS; the fees for emergency ground ambulance were adopted by Resolution No. 10282 on June 11, 2019; and,

WHEREAS; it is necessary for the City to establish a fee for emergency ground ambulance services to recover costs for a patient assessment and/or treatment where transportation was not conducted as part of the operations of the emergency medical services provided to the citizens of Folsom and others in need of emergency medical services; and,

WHEREAS; pursuant to Folsom Municipal Code - 3.25.020, fees for emergency transportation services and first responder paramedic services shall be established by Resolution of the City Council.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom that the attached updated fee schedule is adopted for emergency ground ambulance services provided by the Fire Department effective April 14, 2020.

PASSED AND ADOPTED by the City Council of the City of Folsom this 14th day of April, 2020, by the following roll call vote:

- AYES:** Council Members:
- NOES:** Council Members:
- ABSTAIN:** Council Members:
- ABSENT:** Council Members:

Sarah Aquino, MAYOR

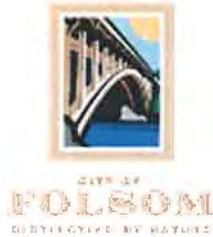
ATTEST:

Christa Freemantle, CITY CLERK

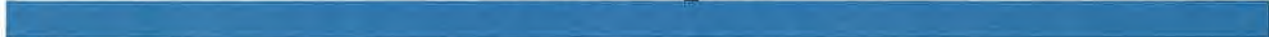
**CITY OF FOLSOM
EMERGENCY MEDICAL TRANSPORTATION
FEE SCHEDULE**

	BASE RATES	FEE SCHEDULE (Effective 7-1-19)	FEE SCHEDULE (Effective 4-14-20)
A.	Within Corporate City limits	\$1,791.42	\$1,791.42
B.	Outside Corporate City limits	\$1,791.42	\$1,791.42
C.	Patient Assessment/Treatment- No Transport	N/A	\$367.15
	SERVICES/PROCEDURES		
a.	Mileage (per mile)	\$32.58	\$32.58
b.	Oxygen (with mask or cannula)	\$94.54	\$94.54
c.	Cardiac Monitor/Defibrillator	\$66.55	\$66.55
d.	ALS Supplies	\$87.50	\$87.50
e.	Continuous Positive Airway Pressure (CPAP)	\$45.26	\$45.26
f.	Bone Drill	Included in Base	Included in Base
g.	Bag Valve Mask	Included in Base	Included in Base
h.	Advanced Airway Management	Included in Base	Included in Base
i.	Night Call (1900-0700 hours)	Included in Base	Included in Base
j.	Intravenous Therapy	Included in Base	Included in Base
k.	Cervical Collar (extrication)	Included in Base	Included in Base
l.	OB Kit	Included in Base	Included in Base
m.	Restraints	Included in Base	Included in Base
n.	Defibrillation Pads	Included in Base	Included in Base
o.	Pacing Pads	Included in Base	Included in Base
p.	Pulse Oximetry	Included in Base	Included in Base
q.	Emergency Transportation	Included in Base	Included in Base

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Folsom City Council Staff Report



MEETING DATE:	4/14/2020
AGENDA SECTION:	Public Hearing
SUBJECT:	<p>Empire Ranch Specific Plan Amendment – Empire Ranch Specific Plan Area (PN 19-308)</p> <p>1. Resolution No. 10399 - A Resolution to Amend the Empire Ranch Specific Plan to increase the maximum number of stories for single-family residences from two-stories to two and one-half stories (without changing the maximum building height of 35 feet), to increase the maximum lot coverage for single-story residences from 45% to 50%, and to allow single-story homes situated on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area for the Empire Ranch Specific Plan Amendment project</p>
FROM:	Community Development Department

RECOMMENDATION / CITY COUNCIL ACTION

Move to Adopt Resolution No. 10399 - A Resolution to Amend the Empire Ranch Specific Plan to increase the maximum number of stories for single-family residences from two-stories to two and one-half stories (without changing the maximum building height of 35 feet), to increase the maximum lot coverage for one-story single-family residences from 45% to 50%, and to allow one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area for single-family homes located within Villages 31, 32, 36, 40C, 48, 49, and 50 (Hillcrest and Lakeview Oaks Estates Subdivisions) of the Empire Ranch Specific Plan Area for the Empire Ranch Specific Plan Amendment project.

BACKGROUND / ISSUE

On December 1, 1992, the City Council certified the Environmental Impact Report and approved a General Plan Amendment, Rezone, Specific Plan and Vesting Tentative Subdivision Map for the Russell Ranch project (now known as Empire Ranch). The 1,739.2-acre project consisted of: 3,105 single-family, low-density units; 739 single-family, high-density units; 344 multifamily units; a public golf course and private golf course; a regional commercial and neighborhood commercial site; parkland; and natural and improved open space. In 2000, the City Council approved a Specific Plan Amendment to amend the Empire Ranch Specific Plan to: establish separate development standards for each Subarea in the Plan Area, modify rear yard landscaping requirements for padded lots in the Plan Area, replace the private golf course in the Central Subarea with single-family residential land use and a five-mile looped trail system, and replace the 21-foot height limit for structures in the West, Central, East and South Sub areas, with Hillside Architectural Design Standards.

The applicant, Elliott Homes, Inc, is requesting approval of a Specific Plan Amendment to; increase the maximum number of stories for single-family residences from two-stories to two and one-half stories, to increase the maximum lot coverage for one-story single-family residences from 45% to 50%, and to allow one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area for single-family homes located within Villages 31, 32, 36, 40C, 48, 49, and 50 (Hillcrest and Lakeview Oaks Estates Subdivisions) of the Empire Ranch Specific Plan Area. The following are the specific text modifications proposed to the Empire Ranch Specific Plan:

Table 6-1A Development Standards for the West Subarea-Villages

Village #	48	49	50
Building Coverage Single-Story Residences (5)	45% <u>50%</u>	45% <u>50%</u>	45%, <u>50%</u>
Maximum Building Height (10)	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>

NOTES:

(10) Structures built on hillside lots shall not exceed two **and one-half stories** (35 feet maximum height); unbroken front or rear wall planes shall not exceed 21 feet in height; and structures shall be designed in accordance with Section 7.4.3. **One-story single-family residences located on downslope lots are allowed to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area.**

Table 6-1A Development Standards for the Central Subarea-Villages

Village #	31	32	36	40C
Building Coverage Single-Story Residences (5)	45% <u>50%</u>	45% <u>50%</u>	45% <u>50%</u>	45%, <u>50%</u>
Maximum Building Height (9)	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>

NOTES:

(9) Structures built on hillside lots shall not exceed two **and one-half stories** (35 feet maximum height); unbroken front or rear wall planes shall not exceed 21 feet in height; and structures shall be designed in accordance with Section 7.4.3. **One-story single-family residences located on downslope lots are allowed to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area.**

As noted within the Project Summary section of this staff report, the applicant has indicated that an increase in the maximum number of stories for single-family residences located within the two custom home lot subdivisions within the Empire Ranch Specific Plan Area from two-stories to two and one-half stories will allow more flexibility for the construction of homes on steeply sloped lots while also making the Empire Ranch Specific Plan consistent with the building height limit established by the Folsom Municipal Code for single-family residential districts. The applicant has also stated that an increase in the maximum lot coverage for one-story single-family residences within the two custom home lot subdivisions within the Empire Ranch Specific Plan Area from 45% to 50% will allow more latitude with respect to building size and design. Lastly, the applicant has communicated that allowing one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area will enhance both the use and design of the lower level of the home.

The Empire Ranch Specific Plan Area features two single-family custom home lot subdivisions, the Hillcrest Subdivision (includes Villages 48, 49, and 50) located at the northwest corner of the intersection of Broadstone Parkway and Golf Links Drive and the Lakeview Oaks Estates Subdivision (includes Villages 31, 32, 36, and 40C) generally located north of Broadstone Parkway and west of Empire Ranch Road. The Hillcrest Subdivision includes a total of 128 residential lots, 23 of which are currently undeveloped (18%). The Lakeview Oaks Estates Subdivision includes a total of 446 residential lots, 187 of which are undeveloped (42%). A total of 210 undeveloped residential lots would be impacted by the proposed Amendment to the Empire Ranch Specific Plan.

The proposed project was considered by the Planning Commission at its February 19, 2020 meeting. The Commission engaged in a thorough review of the proposed project including a discussion regarding the existing and proposed development standards within the Empire

Ranch Specific Plan Area. In addition, the Commission asked for clarification regarding how the maximum allowable building height of 35 feet is calculated within the Empire Ranch Specific Plan Area and the City as a whole. Staff explained that the maximum allowable building height, which is not proposed to be changed with this project, is the vertical distance measured from the average level of the highest and lowest point of that portion of the lot covered by the building to the highest point of the roof, ridge, or parapet wall. No members of the public spoke regarding the proposed project. The Planning Commission adopted a motion (7-0-0-0) to recommend approval of the proposed project to the City Council, subject to the conditions of approval included with this report.

POLICY / RULE

Folsom Municipal Code (FMC), Sections 17.37.090 and 17.37.050 require that applications for Specific Plan Amendments be forwarded to the City Council for final action, following a public hearing and recommendation by the Planning Commission.

ANALYSIS

In evaluating the request for the Specific Plan Amendment, which will result in a number of modifications to the Empire Ranch Specific Plan development standards, staff took into consideration a number of factors including development standards established by the Folsom Municipal Code for similar residential districts, other comparable development standards adopted within the City, and potential impacts to existing single-family residences within the Empire Ranch Specific Plan Area and surrounding residential neighborhoods.

Development standards established by the Folsom Municipal Code (FMC, Section 17.13) for the Residential, Single-Family Dwelling Small Lot District (R-1-M), which is a similar zoning designation to the subject zoning designations of the properties impacted by the proposed Amendment, dictate requirements relative to maximum building height, maximum lot coverage, as well as minimum lot area, minimum lot width, setbacks, and parking. In relation to maximum number of stories and building height, the Folsom Municipal Code (FMC, Section 17.13.110) states that the “Building height limit requirement is two and one-half stories, but not to exceed thirty-five feet”. With respect to maximum lot coverage, the Folsom Municipal Code indicates that the “Maximum main building coverage in the R-1-M district is thirty-five percent of the lot area”. The Folsom Municipal Code does not make a distinction between one and two-story homes in terms of maximum building coverage.

The proposed Amendment to increase the maximum number of stories from two stories to two and one-half stories is consistent with the maximum building height limit currently established by the Folsom Municipal Code (two and one-half stories, not to exceed 35 feet) for similar zoning districts. The proposed Amendment to increase the maximum lot coverage for one-story single-family residences from 45% to 50% is moderately higher than the maximum lot coverage (35%) established by the Folsom Municipal Code for both one and

two-story residences in similar zoning districts. However, the lot coverage increase request is similar to or lower than many recently approved subdivisions within the City including Mangini Ranch and Russell Ranch (both of which have smaller lot sizes than the subject lots in Empire Ranch) among others. Lastly, the proposed Amendment to allow one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area is consistent with the Folsom Municipal Code as there is currently no development standard that would prohibit development of a lower level basement on a downslope one-story single-family residence within similar zoning districts.

In reviewing the proposed Amendments, staff took into consideration development standards approved for projects with similar residential components within the City including the Broadstone Unit No. 3 Specific Plan Area, the Parkway Specific Plan Area, and the Folsom Plan Area. In relation to maximum number of stories, the development standards for comparable developments allow single-family residences to be two and one-half stories tall, not to exceed 35 feet or allow single-family residences to be 35 feet tall with no restriction on the number for stories. With regard to maximum lot coverage, the development standards for comparable developments allow a range of maximum building coverage from 40% to 50% for one-story single-family residences. In addition, a number of subdivisions within the Folsom Plan Area have recently received approval to increase the maximum lot coverage for one-story single-family residences from 50% to 55% to accommodate various outdoor living features. Relative to building out the lower level basement area for one-story single-family residences located on downslope lots, some (Parkway Specific Plan Area) of the development standards for comparable developments are similar to the Empire Ranch development standards, while others (Broadstone Unit No. 3 Specific Plan Area and Folsom Plan Area) have no development standards that would prohibit development of a lower level basement on the downslope one-story single-family residences.

As described above, the proposed Amendment to increase the maximum number of stories from two stories to two and one-half stories is consistent with the maximum building height limit (two and one-half stories, not to exceed 35 feet or 35 feet tall with no restriction on the number for stories) established by the developed standards for comparable projects within the City. The proposed Amendment to increase the maximum lot coverage for one-story single-family residences from 45% to 50% is lower than or equal to the maximum lot coverage (40% to 50%) established by development standards for comparable projects. Finally, the proposed Amendment to allow one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area is compatible with a majority of the development standards for comparable projects as those projects have no development standards that would prohibit development of a lower level basement on the downslope one-story single-family residences.

In considering the proposed Amendments, staff also considered potential impacts the modifications to the development standards may have on existing single-family residences in the Empire Ranch Specific Plan Area and surrounding residential neighborhoods. With respect to increasing the maximum number of stories from two to two and one-half stories, staff does not anticipate any negative visual impacts to nearby properties as the maximum allowable building height (35 feet) is not changing, but only the number of floors that can be incorporated into the home design. In addition, the surrounding residential neighborhoods outside of Empire Ranch are already permitted a maximum building height of two and one-half stories, not to exceed 35 feet for single-family residences, which is identical to the Amendment that the applicant is requesting. Staff has also determined that the lot coverage increase from 45% to 50% for one-story single-family residences will not have significant visual impact on nearby properties as the proposed increase is minimal in nature and is only applicable to one-story residences. In addition, staff has determined that allowing the lower level basement on the downslope one-story single-family residences to be partially developed will enhance the visual appearance of these homes by allowing for additional architectural details.

In summary, staff has determined that the proposed Specific Plan Amendment, which includes three Amendments to the Empire Ranch Specific Plan, will be beneficial in resolving various challenges that homebuilders and homebuyers are facing in developing custom home lots within the Hillcrest and Lakeview Oaks Estates Subdivisions. In particular, staff has determined that increasing the maximum number of stories from two stories to two and one-half stories will allow residences within these subdivisions to be developed in a manner consistent with other subdivisions throughout the City. Staff has also determined that increasing the maximum lot coverage for one-story single-family residences from 45% to 50% will provide increased flexibility with respect to the size and design of single-story homes within these custom home subdivisions without causing any negative visual impacts. Lastly, staff has determined that allowing one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area will improve the use of the of the basement area while also allowing enhancements to the architectural design of the lower level of the home.

FINANCIAL IMPACT

No financial impact is anticipated with approval of Resolution No. 10399

ENVIRONMENTAL REVIEW

The project is exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3) (Review for Exemption) of the CEQA Guidelines.

ATTACHMENTS

1. Resolution No. 10399 A Resolution to Amend the Empire Ranch Specific Plan to increase the maximum number of stories for single-family residences from two-stories to two and one-half stories (without changing the maximum building height of 35 feet), to increase the maximum lot coverage for single-story residences from 45% to 50%, and to allow single-story homes situated on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area for the Empire Ranch Specific Plan Amendment project
2. Vicinity Map
3. Specific Plan Amendment Exhibit
4. Site Photographs of Existing Homes in Empire Ranch
5. Planning Commission Staff Report, dated February 19, 2020

Submitted,



PAM JOHNS
Community Development Director

Attachment 1

Resolution No. 10399 – A Resolution to Amend the Empire Ranch Specific Plan to increase the maximum number of stories for single-family residences from two-stories to two and one-half stories (without changing the maximum building height of 35 feet), to increase the maximum lot coverage for single-story residences from 45% to 50%, and to allow single-story homes situated on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area for the Empire Ranch Specific Plan Amendment project

RESOLUTION NO. 10399

A RESOLUTION TO AMEND THE EMPIRE RANCH SPECIFIC PLAN TO INCREASE THE MAXIMUM NUMBER OF STORIES FOR SINGLE-FAMILY RESIDENCES FROM TWO-STORIES TO TWO AND ONE/HALF STORIES (WITHOUT CHANGING THE MAXIMUM BUILDING HEIGHT OF 35 FEET), TO INCREASE THE MAXIMUM LOT COVERAGE FOR SINGLE-STORY RESIDENCES FROM 45% TO 50%, AND TO ALLOW SINGLE-STORY HOMES SITUATED ON DOWNSLOPE LOTS TO BUILD OUT THE LOWER LEVEL BASEMENT AREA TO A MAXIMUM OF 25% OF THE FLOOR AREA OF THE PRIMARY FLOOR AREA FOR THE EMPIRE RANCH SPECIFIC PLAN AMENDMENT PROJECT

WHEREAS, the Planning Commission on February 19, 2020, held a public hearing on the proposed Amendment to the Empire Ranch Specific Plan, considered public comment and based on the information and analysis provided, determined that increasing the maximum building height from two-stories to two and one-half stories for single-family residences located in specific villages within the Empire Ranch Specific Plan Area will allow residences within these villages to be developed in a manner consistent with other subdivisions throughout the City; and

WHEREAS, the Planning Commission on February 19, 2020, held a public hearing on the proposed Amendment to the Empire Ranch Specific Plan, considered public comment and based on the information and analysis provided, determined that increasing the maximum lot coverage for single-story residences from 45% to 50% for specific villages within the Empire Ranch Specific Plan Area will provide increased flexibility with respect to the size and design of single-story homes within these custom home subdivisions without causing any negative visual impacts; and

WHEREAS, the Planning Commission on February 19, 2020, held a public hearing on the proposed Amendment to the Empire Ranch Specific Plan, considered public comment and based on the information and analysis provided, determined that allowing single-story homes situated on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area will improve the use of the of the basement area while also allowing enhancements to the architectural design of the lower level of the home; and

WHEREAS, the proposed Amendment to the Empire Ranch Specific Plan is consistent with the City’s General Plan, the Zoning Code of the City, and the Empire Ranch Specific Plan as Amended by the Empire Ranch Specific Plan Amendment; and

WHEREAS, notice has been given at the time and in the manner required by State Law and City Code; and

WHEREAS, the project is exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3) (Review for Exemption) of the CEQA Guidelines; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom hereby Approves a Specific Plan Amendment to increase the maximum number of stories for single-family residences from two-stories to two and one-half stories (without changing the maximum building height of 35 feet), to increase the maximum lot coverage for single-story residences from 45% to 50%, and to allow single-story homes situated on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area for the Empire Ranch Specific Plan Amendment project as set forth in the Specific Plan Map Exhibit and the Empire Ranch Development Standards Tables attached as Exhibit "A" with the following findings:

GENERAL FINDINGS

- A. NOTICE OF HEARING HAS BEEN GIVEN AT THE TIME AND IN THE MANNER REQUIRED BY STATE LAW AND CITY CODE.
- B. WITH THE PROPOSED AMENDMENT, THE PROJECT IS CONSISTENT WITH THE GENERAL PLAN AND THE EMPIRE RANCH SPECIFIC PLAN.

CEQA FINDINGS

- C. THE PROJECT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) UNDER SECTION 15061(B)(3) (REVIEW FOR EXEMPTION) OF THE CEQA GUIDELINES.

SPECIFIC PLAN AMENDMENT FINDING

- D. THE PROJECT IS CONSISTENT WITH THE CITY'S GENERAL PLAN, THE EMPIRE RANCH SPECIFIC PLAN, AND RELEVANT PROVISIONS OF THE FOLSOM MUNICIPAL CODE WITH THE PROPOSED AMENDMENT.

PASSED AND ADOPTED this 14th day of April, 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

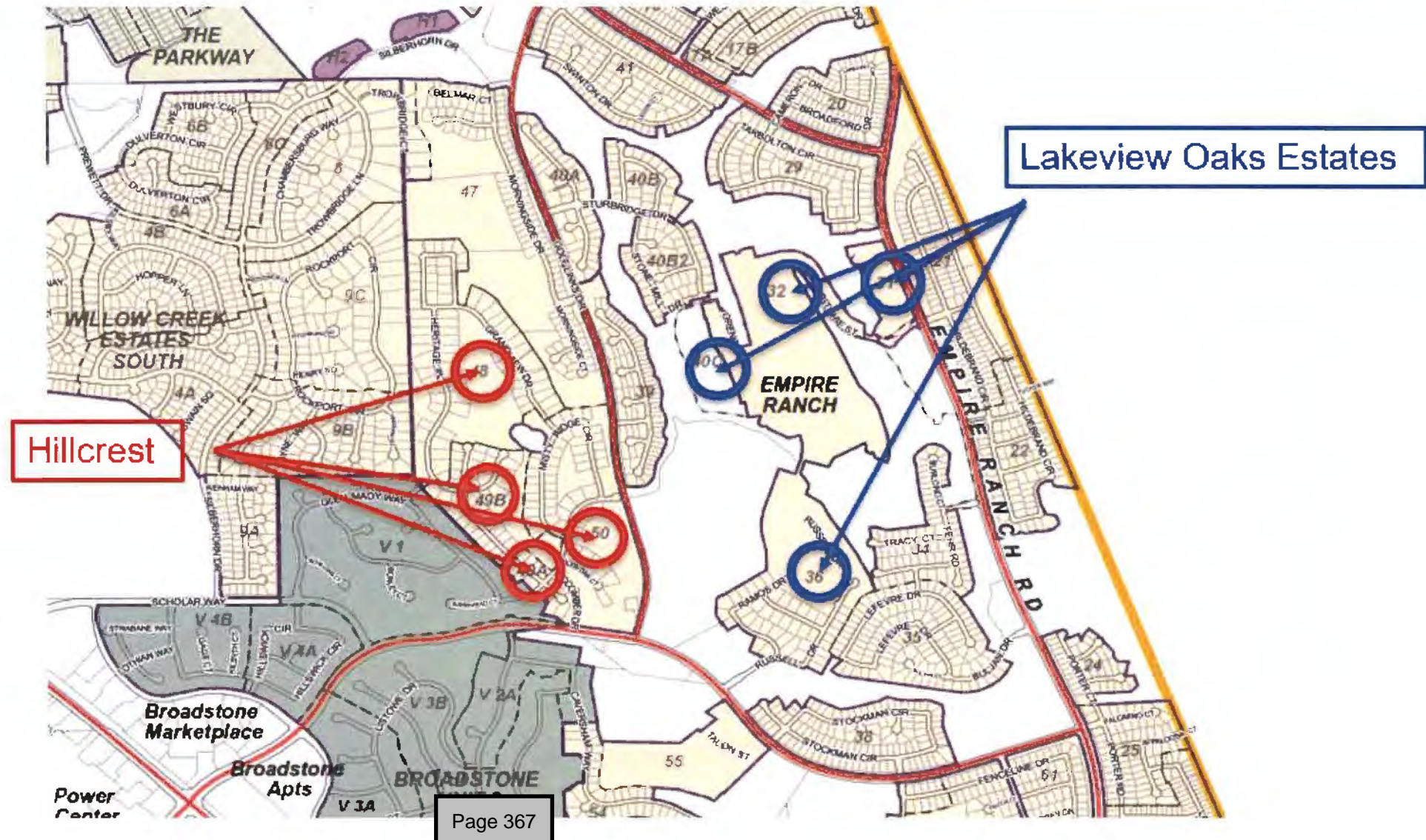
Christa Freemantle, CITY CLERK

Exhibit A

Areas Affected by Changes



CITY OF
FOLSOM



Empire Ranch Specific Plan Amendment Exhibit

Table 6-1A Development Standards for the West Subarea-Villages

Village #	48	49	50
Building Coverage Single-Story Residences (5)	45% 50%	45% 50%	45%, 50%
Maximum Building Height (10)	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>

NOTES:

(10) Structures built on hillside lots shall not exceed two **and one-half stories** (35 feet maximum height); unbroken front or rear wall planes shall not exceed 21 feet in height; and structures shall be designed in accordance with Section 7.4.3. **One-story single-family residences located on downslope lots are allowed to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area.**

Table 6-1A Development Standards for the Central Subarea-Villages

Village #	31	32	36	40C
Building Coverage Single-Story Residences (5)	45% 50%	45% 50%	45% 50%	45%, 50%
Maximum Building Height (9)	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>

NOTES:

(9) Structures built on hillside lots shall not exceed two **and one-half stories** (35 feet maximum height); unbroken front or rear wall planes shall not exceed 21 feet in height; and structures shall be designed in accordance with Section 7.4.3. **One-story single-family residences located on downslope lots are allowed to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area.**

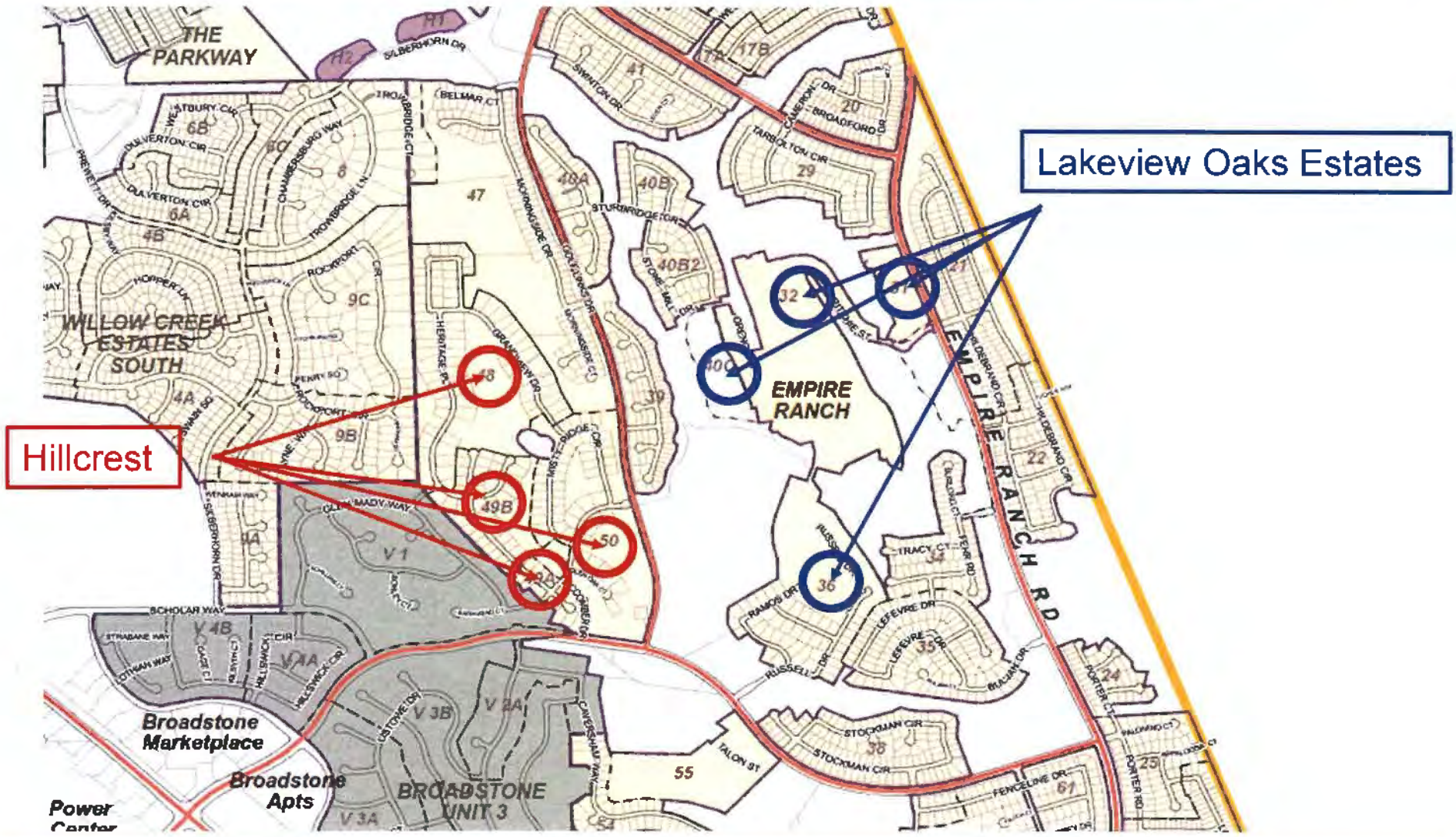
Attachment 2

Vicinity Map

Vicinity Map



CITY OF
FOLSOM

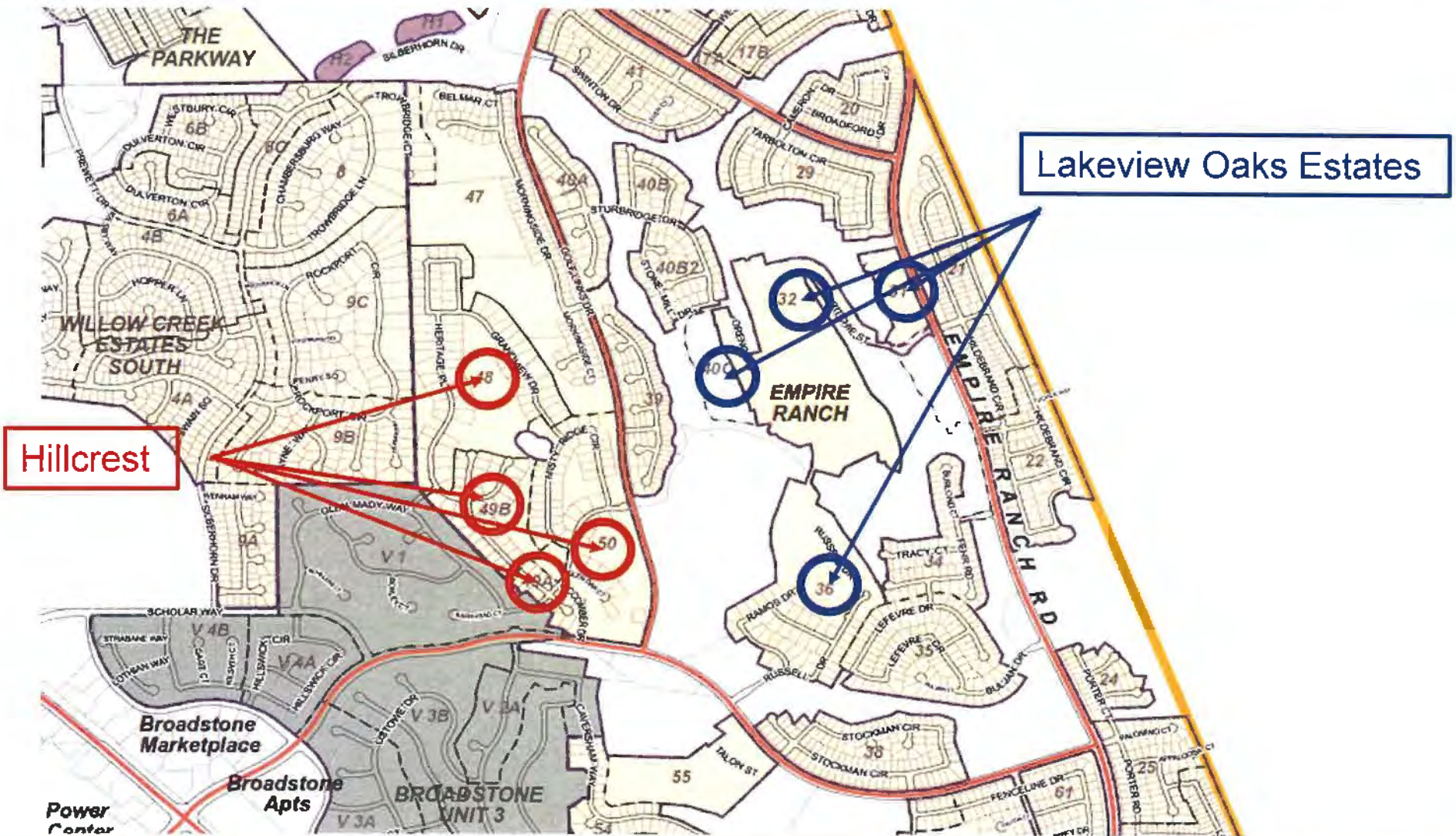


Attachment 3
Specific Plan Amendment Exhibit

Specific Plan Map Exhibit



CITY OF
FOLSOM



Empire Ranch Development Standards



CITY OF
FOLSOM

Table 6-1A Development Standards for the West Subarea-Villages

Village #	48	49	50
Building Coverage Single-Story Residences (5)	45% <u>50%</u>	45% <u>50%</u>	45%, <u>50%</u>
Maximum Building Height (10)	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>

NOTES:

(10) Structures built on hillside lots shall not exceed two and one-half stories (35 feet maximum height); unbroken front or rear wall planes shall not exceed 21 feet in height; and structures shall be designed in accordance with Section 7.4.3. One-story single-family residences located on downslope lots are allowed to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area.

Empire Ranch Development Standards



CITY OF
FOLSOM

Table 6-1A Development Standards for the Central Subarea-Villages

Village #	31	32	36	40C
Building Coverage Single-Story Residences (5)	45% <u>50%</u>	45% <u>50%</u>	45% <u>50%</u>	45%, <u>50%</u>
Maximum Building Height (9)	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>

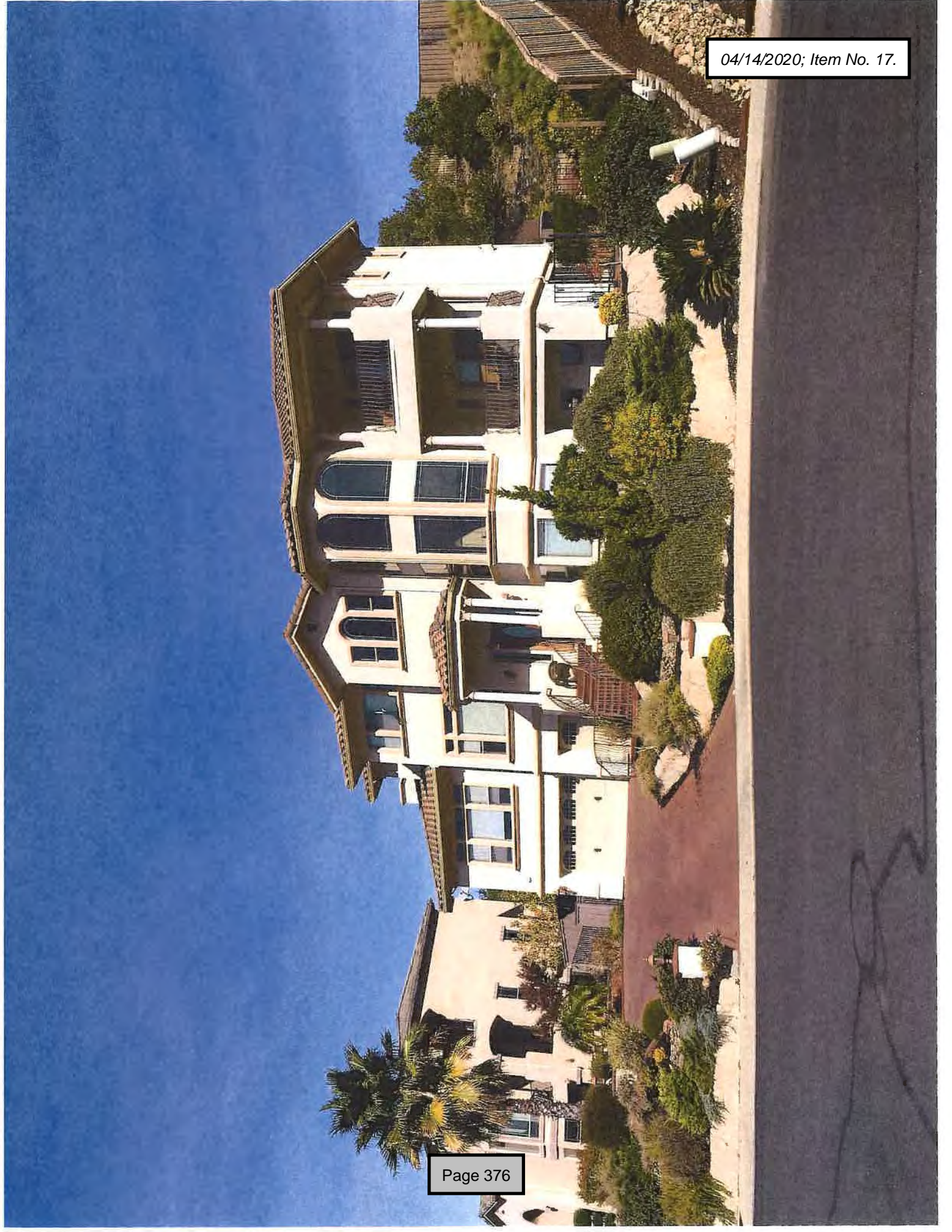
NOTES:

(9) Structures built on hillside lots shall not exceed two and one-half stories (35 feet maximum height); unbroken front or rear wall planes shall not exceed 21 feet in height; and structures shall be designed in accordance with Section 7.4.3. One-story single-family residences located on downslope lots are allowed to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area.

Attachment 4

Site Photographs of Existing Homes in Empire Ranch

04/14/2020; Item No. 17.



04/14/2020; Item No. 17.





Attachment 5

Planning Commission Staff Report Dated February 19, 2020



CITY OF
FOLSOM
DISTINCTIVE BY NATURE

AGENDA 04/14/2020; Item No. 17.
Type: Public Hearing
Date: February 5, 2020

Planning Commission Staff Report

50 Natoma Street, Council Chambers
Folsom, CA 95630

Project: Empire Ranch Specific Plan Amendment
File #: PN-19-308
Request: Specific Plan Amendment
Location: Empire Ranch Specific Plan Area (Villages 31, 32, 36, 40C, 48, 49, and 50)
Staff Contact: Steve Banks, Principal Planner, 916-461-6207
sbanks@folsom.ca.us

Applicant/Property Owner

Name: Elliott Homes, Inc.
Address: 340 Palladio Parkway, Suite 521
Folsom, CA 95630

Recommendation: Conduct a public hearing and upon conclusion recommend to City Council Approval of a Specific Plan Amendment to; increase the maximum number of stories for single-family residences from two-stories to two and one-half stories, to increase the maximum lot coverage for one-story single-family residences from 45% to 50%, and to allow one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area for single-family homes located within Villages 31, 32, 36, 40C, 48, 49, and 50 (Hillcrest Subdivision and Lakeview Oaks Estates Subdivision) of the Empire Ranch Specific Plan Area for the Empire Ranch Specific Plan Amendment project (PN 19-308) subject to the findings (Findings A-D) attached to this report.

Project Summary: The proposed project involves a request for approval of a Specific Plan Amendment to make three modifications to the Empire Ranch Specific Plan to assist homebuilders in addressing challenges they are facing in constructing custom homes within the Hillcrest and Lakeview Oaks Estates Subdivisions (Empire Ranch, Villages 31, 32, 36, 40C, 48, 49, and 50). The first modification to the Specific Plan is a request to increase the maximum number of stories for single-family residences from two-stories to two and one-half stories to better accommodate development of custom homes on steeply sloped lots and to be consistent with the Folsom Municipal Code for single-family residential districts. The second modification to the Specific Plan is a request to increase the maximum lot coverage for one-story single-family residences from 45% to 50% to allow more flexibility in terms of building size and design. The third modification to the Specific Plan is a request to allow one-story single-family residences



CITY OF
FOLSOM
DISTINCTIVE BY NATURE

04/14/2020; Item No. 17.

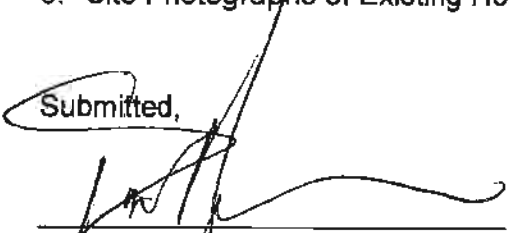
AGENDA ITEM NO. 1
Type: Public Hearing
Date: February 5, 2020

located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area to enhance the use and design of the lower level of the home.

Table of Contents:

1. Description/Analysis
2. Background
3. Vicinity Map
4. Specific Plan Amendment Exhibit
5. Site Photographs of Existing Homes in Empire Ranch

Submitted,



PAM JOHNS

Community Development Director

**ATTACHMENT 1
 DESCRIPTION/ANALYSIS**

APPLICANT'S PROPOSAL

The applicant, Elliott Homes, Inc, is requesting approval of a Specific Plan Amendment to; increase the maximum number of stories for single-family residences from two-stories to two and one-half stories, to increase the maximum lot coverage for one-story single-family residences from 45% to 50%, and to allow one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area for single-family homes located within Villages 31, 32, 36, 40C, 48, 49, and 50 (Hillcrest and Lakeview Oaks Estates Subdivisions) of the Empire Ranch Specific Plan Area. The following are the specific text modifications proposed to the Empire Ranch Specific Plan:

Table 6-1A Development Standards for the West Subarea-Villages

Village #	48	49	50
Building Coverage Single-Story Residences (5)	45% <u>50%</u>	45% <u>50%</u>	45% , <u>50%</u>
Maximum Building Height (10)	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>

NOTES:

(10) Structures built on hillside lots shall not exceed two **and one-half stories** (35 feet maximum height); unbroken front or rear wall planes shall not exceed 21 feet in height; and structures shall be designed in accordance with Section 7.4.3. **One-story single-family residences located on downslope lots are allowed to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area.**

Table 6-1A Development Standards for the Central Subarea-Villages

Village #	31	32	36	40C
Building Coverage Single-Story Residences (5)	45% <u>50%</u>	45% <u>50%</u>	45% <u>50%</u>	45%, <u>50%</u>
Maximum Building Height (9)	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>

NOTES:

(9) Structures built on hillside lots shall not exceed two **and one-half stories** (35 feet maximum height); unbroken front or rear wall planes shall not exceed 21 feet in height; and structures shall be designed in accordance with Section 7.4.3. **One-story single-family residences located on downslope lots are allowed to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area.**

As noted within the Project Summary section of this staff report, the applicant has indicated that an increase in the maximum number of stories for single-family residences located within the two custom home lot subdivisions within the Empire Ranch Specific Plan Area from two-stories to two and one-half stories will allow more flexibility for the construction of homes on steeply sloped lots while also making the Empire Ranch Specific Plan consistent with the building height limit established by the Folsom Municipal Code for single-family residential districts. The applicant has also stated that an increase in the maximum lot coverage for one-story single-family residences within the two custom home lot subdivisions within the Empire Ranch Specific Plan Area from 45% to 50% will allow more latitude with respect to building size and design. Lastly, the applicant has communicated that allowing one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area will enhance both the use and design of the lower level of the home.

The Empire Ranch Specific Plan Area features two single-family custom home lot subdivisions, the Hillcrest Subdivision (includes Villages 48, 49, and 50) located at the northwest corner of the intersection of Broadstone Parkway and Golf Links Drive and the Lakeview Oaks Estates Subdivision (includes Villages 31, 32, 36, and 40C) generally located north of Broadstone Parkway and west of Empire Ranch Road. The Hillcrest Subdivision includes a total of 128 residential lots, 23 of which are currently undeveloped (18%). The Lakeview Oaks Estates Subdivision includes a total of 446 residential lots, 187 of which are undeveloped (42%). A total of 210 undeveloped residential lots would be impacted by the proposed Amendment to the Empire Ranch Specific Plan.

POLICY/RULE

Folsom Municipal Code (FMC), Sections 17.37.090 and 17.37.050 require that applications for Specific Plan Amendments be forwarded to the City Council for final action, following a public hearing and recommendation by the Planning Commission.

ANALYSIS

In evaluating the request for the Specific Plan Amendment, which will result in a number of modifications to the Empire Ranch Specific Plan development standards, staff took into consideration a number of factors including development standards established by the Folsom Municipal Code for similar residential districts, other comparable development standards adopted within the City, and potential impacts to existing single-family residences within the Empire Ranch Specific Plan Area and surrounding residential neighborhoods.

Development standards established by the Folsom Municipal Code (FMC, Section 17.13) for the Residential, Single-Family Dwelling Small Lot District (R-1-M), which is a similar zoning designation to the subject zoning designations of the properties impacted by the proposed Amendment, dictate requirements relative to maximum building height, maximum lot coverage, as well as minimum lot area, minimum lot width, setbacks, and parking. In relation to maximum number of stories and building height, the Folsom Municipal Code (FMC, Section 17.13.110) states that the “Building height limit requirement is two and one-half stories, but not to exceed thirty-five feet”. With respect to maximum lot coverage, the Folsom Municipal Code indicates that the “Maximum main building coverage in the R-1-M district is thirty-five percent of the lot area”. The Folsom Municipal Code does not make a distinction between one and two-story homes in terms of maximum building coverage.

The proposed Amendment to increase the maximum number of stories from two stories to two and one-half stories is consistent with the maximum building height limit currently established by the Folsom Municipal Code (two and one-half stories, not to exceed 35 feet) for similar zoning districts. The proposed Amendment to increase the maximum lot coverage for one-story single-family residences from 45% to 50% is moderately higher than the maximum lot coverage (35%) established by the Folsom Municipal Code for both one and two-story residences in similar zoning districts. However, the lot coverage increase request is similar to or lower than many recently approved subdivisions within the City including Mangini Ranch and Russell Ranch among others. Lastly, the proposed Amendment to allow one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area is consistent with the Folsom Municipal Code as there is currently no development standard that would prohibit development of a lower level basement on a downslope one-story single-family residence within similar zoning districts.

In reviewing the proposed Amendments, staff took into consideration development standards approved for projects with similar residential components within the City including the Broadstone Unit No. 3 Specific Plan Area, the Parkway Specific Plan Area, and the Folsom Plan Area. In relation to maximum number of stories, the development standards for comparable developments allow single-family residences to be two and

one-half stories tall, not to exceed 35 feet or allow single-family residences to be 35 feet tall with no restriction on the number for stories. With regard to maximum lot coverage, the development standards for comparable developments allow a range of maximum building coverage from 40% to 50% for one-story single-family residences. In addition, a number of subdivisions within the Folsom Plan Area have recently received approval to increase the maximum lot coverage for one-story single-family residences from 50% to 55% to accommodate various outdoor living features. Relative to building out the lower level basement area for one-story single-family residences located on downslope lots, some (Parkway Specific Plan Area) of the development standards for comparable developments are similar to the Empire Ranch development standards, while others (Broadstone Unit No. 3 Specific Plan Area and Folsom Plan Area) have no development standards that would prohibit development of a lower level basement on the downslope one-story single-family residences.

As described above, the proposed Amendment to increase the maximum number of stories from two stories to two and one-half stories is consistent with the maximum building height limit (two and one-half stories, not to exceed 35 feet or 35 feet tall with no restriction on the number for stories) established by the developed standards for comparable projects within the City. The proposed Amendment to increase the maximum lot coverage for one-story single-family residences from 45% to 50% is lower than or equal to the maximum lot coverage (40% to 50%) established by development standards for comparable projects. Finally, the proposed Amendment to allow one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area is compatible with a majority of the development standards for comparable projects as those projects have no development standards that would prohibit development of a lower level basement on the downslope one-story single-family residences.

In considering the proposed Amendments, staff also considered potential impacts the modifications to the development standards may have on existing single-family residences in the Empire Ranch Specific Plan Area and surrounding residential neighborhoods. With respect to increasing the maximum number of stories from two to two and one-half stories, staff does not anticipate any negative visual impacts to nearby properties as the maximum allowable building height (35 feet) is not changing, but only the number of floors that can be incorporated into the home design. In addition, the surrounding residential neighborhoods outside of Empire Ranch are already permitted a maximum building height of two and one-half stories, not to exceed 35 feet for single-family residences, which is identical to the Amendment that the applicant is requesting. Staff has also determined that the lot coverage increase from 45% to 50% for one-story single-family residences will not have significant visual impact on nearby properties as the proposed increase is minimal in nature and is only applicable to one-story residences. In addition, staff has determined that allowing the lower level basement on

the downslope one-story single-family residences to be partially developed will enhance the visual appearance of these homes by allowing for additional architectural details.

In summary, staff has determined that the proposed Specific Plan Amendment, which includes three Amendments to the Empire Ranch Specific Plan, will be beneficial in resolving various challenges that homebuilders and homebuyers are facing in developing custom home lots within the Hillcrest and Lakeview Oaks Estates Subdivisions. In particular, staff has determined that increasing the maximum number of stories from two stories to two and one-half stories will allow residences within these subdivisions to be developed in a manner consistent with other subdivision throughout the City. Staff has also determined that increasing the maximum lot coverage for one-story single-family residences from 45% to 50% will provide increased flexibility with respect to the size and design of single-story homes within these custom home subdivisions without causing any negative visual impacts. Lastly, staff has determined that allowing one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area will improve the use of the of the basement area while also allowing enhancements to the architectural design of the lower level of the home.

ENVIRONMENTAL REVIEW

The project is exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3) (Review for Exemption) of the CEQA Guidelines.

RECOMMENDATION/PLANNING COMMISSION ACTION

Conduct a public hearing and upon conclusion recommend approval of a Specific Plan Amendment to; increase the maximum number of stories for single-family residences from two-stories to two and one-half stories (without changing the maximum building height of 35 feet), to increase the maximum lot coverage for one-story single-family residences from 45% to 50%, and to allow one-story single-family residences located on downslope lots to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area for single-family homes located within Villages 31, 32, 36, 40C, 48, 49, and 50 (Hillcrest and Lakeview Oaks Estates Subdivisions) of the Empire Ranch Specific Plan Area for the Empire Ranch Specific Plan Amendment project (PN 19-308) subject to the findings (Findings A-D) attached to this report.

GENERAL FINDINGS

- A. NOTICE OF HEARING HAS BEEN GIVEN AT THE TIME AND IN THE MANNER REQUIRED BY STATE LAW AND CITY CODE.
- B. WITH THE PROPOSED AMENDMENT, THE PROJECT IS CONSISTENT WITH THE GENERAL PLAN AND THE EMPIRE RANCH SPECIFIC PLAN.

CEQA FINDINGS

- C. THE PROJECT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) UNDER SECTION 15061(B)(3) (REVIEW FOR EXEMPTION) OF THE CEQA GUIDELINES.

SPECIFIC PLAN AMENDMENT FINDING

- D. THE PROJECT IS CONSISTENT WITH THE CITY'S GENERAL PLAN, THE EMPIRE RANCH SPECIFIC PLAN, AND RELEVANT PROVISIONS OF THE FOLSOM MUNICIPAL CODE WITH THE PROPOSED AMENDMENT.

**ATTACHMENT 2
BACKGROUND**

BACKGROUND

On December 1, 1992, the City Council certified the Environmental Impact Report and approved a General Plan Amendment, Rezone, Specific Plan and Vesting Tentative Subdivision Map for the Russell Ranch project (now known as Empire Ranch). The 1,739.2-acre project consisted of: 3,105 single-family, low-density units; 739 single-family, high-density units; 344 multifamily units; a public golf course and private golf course; a regional commercial and neighborhood commercial site; parkland; and natural and improved open space. In 2000, the City Council approved a Specific Plan Amendment to amend the Empire Ranch Specific Plan to: establish separate development standards for each Subarea in the Plan Area, modify rear yard landscaping requirements for padded lots in the Plan Area, replace the private golf course in the Central Subarea with single-family residential land use and a five-mile looped trail system, and replace the 21-foot height limit for structures in the West, Central, East and South Sub areas, with Hillside Architectural Design Standards.

GENERAL PLAN DESIGNATION

SF (Single Family)

ZONING DESIGNATION

SP 92-3 (Empire Ranch Specific Plan Area) with Underlying Zoning of R-1-M (Residential, Single-Family Dwelling, Small Lot District)

ADJACENT LAND USES/ZONING

- North: Single-Family Residential Development (SP 92-3) with Residential Development Beyond
- South: Broadstone Parkway with Single-Family Residential Development (SP 92-3)
- East: Golf Links Drive with Single-Family Residential Development (SP 92-3) Beyond
- West: Single-Family Residential Development (SP 95-1) with Residential Development Beyond

SITE CHARACTERISTICS

The Hillcrest and Lake View Oaks Estates Subdivisions are fully improved with streets, curbs, gutters, sidewalks, underground utilities, landscaping, lighting, and fencing. Approximately 259 of the 446 residential lots within the two subdivisions are developed

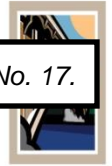
with single-family residences, with 187 lots remaining to be developed.

APPLICABLE CODES

FMC 17.13, Residential, Single-Family Dwelling, Small-Lot District
FMC 17.37, Specific Plan District
Empire Ranch Specific Plan

Empire Ranch Specific Plan Amendment

04/14/2020; Item No. 17.

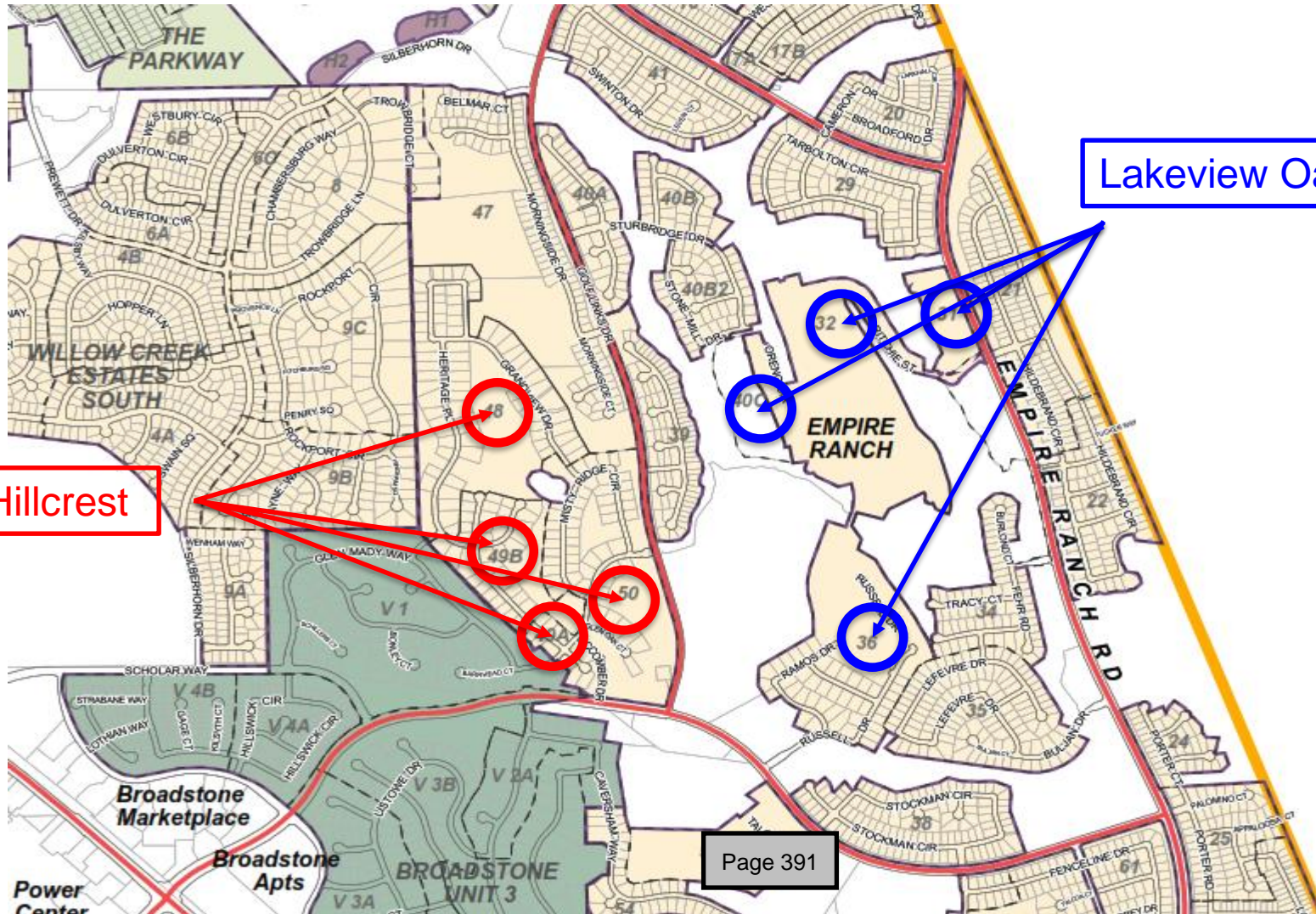
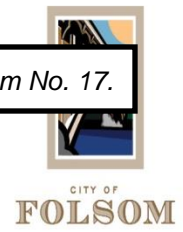


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Empire Ranch Specific Plan Amendment (PN 19-308)

Vicinity Map

04/14/2020; Item No. 17.

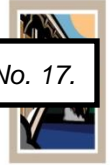


Lakeview Oaks Estates

Hillcrest

Project Background

04/14/2020; Item No. 17.



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- December 1, 1992: City Council Approval of a General Plan Amendment, Rezone, Specific Plan (included Design Guidelines), and Lot Vesting Tentative Subdivision Map for Development of the Russell Ranch project (now known as Empire Ranch). Project included Development of 3,844 single-family residential units, 344 multi-family residential units, regional commercial land, neighborhood commercial land, parkland, open space, two golf courses, and an elementary school.
- June 15, 2000: City Council Approval of a Specific Plan Amendment to Amend the Empire Ranch Specific Plan to: Establish Separate Development Standards for each Subarea in the Plan Area, Modify Rear Yard Landscaping Requirements for Padded Lots, Replace Private Golf Course with Single-Family Residential Lots and a Five-Mile Looped Trail System, and Replace 21-Foot Height Limit for Residences with Hillside Architectural Design Standards.

Key Project Details

04/14/2020; Item No. 17.



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- Specific Plan Amendment with Three (3) Modifications to the Empire Ranch Specific Plan Applicable Only to the Custom Home Lot Areas within Villages 31, 32, 36, 40C, 48, 49, and 50 (Hillcrest Subdivision and Lakeview Oaks Estates Subdivision):
 - Increase Maximum Number of Stories for Single-Family Residences from Two-Stories to Two and One-Half Stories to Better Accommodate Development of Custom Homes on Steeply Sloped Lots and to be Consistent with the Folsom Municipal Code
 - Increase Maximum Lot Coverage for One-Story Single-Family Residences from 45% to 50% to Allow More Flexibility in Terms of Building Size and Design
 - Allow One-Story Residences on Downslope Lots to Build Out Lower Basement Level to a Maximum of 25% of the Floor Area of the Primary Floor Area to Enhance the Design and Use of the Lower Basement Level

Proposed Changes Villages 48, 49, 50 (Hillcrest)

04/14/2020; Item No. 17.

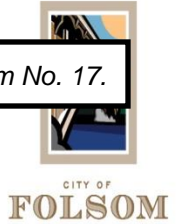


Table 6-1A Development Standards for the West Subarea-Villages

Village #	48	49	50
Building Coverage Single-Story Residences (5)	45% <u>50%</u>	45% <u>50%</u>	45%, <u>50%</u>
Maximum Building Height (10)	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>	35 Feet <u>and</u> <u>2 ½ Stories</u>

NOTES:

(10) Structures built on hillside lots shall not exceed two **and one-half stories** (35 feet maximum height); unbroken front or rear wall planes shall not exceed 21 feet in height; and structures shall be designed in accordance with Section 7.4.3. **One-story single-family residences located on downslope lots are allowed to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area.**

Proposed Changes Villages 31, 32, 36, 40C (Lakeview)

04/14/2020; Item No. 17.

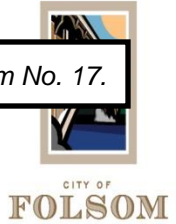


Table 6-1A Development Standards for the Central Subarea-Villages

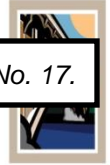
Village #	31	32	36	40C
Building Coverage Single-Story Residences (5)	45% <u>50%</u>	45% <u>50%</u>	45% <u>50%</u>	45%, <u>50%</u>
Maximum Building Height (9)	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>	35 Feet <u>and</u> <u>2 ½</u> <u>Stories</u>

NOTES:

(9) Structures built on hillside lots shall not exceed two **and one-half stories** (35 feet maximum height); unbroken front or rear wall planes shall not exceed 21 feet in height; and structures shall be designed in accordance with Section 7.4.3. **One-story single-family residences located on downslope lots are allowed to build out the lower level basement area to a maximum of 25% of the floor area of the primary floor area.**

Analysis

04/14/2020; Item No. 17.

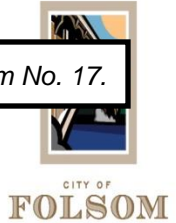


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- Request: Increase Maximum Number of Stories for Single-Family Residences from Two-Stories to Two and One-Half Stories to Better Accommodate Development of Custom Homes on Steeply Sloped Lots and to be Consistent with the Folsom Municipal Code
 - Consistent with Folsom Municipal Code Requirement (Two and One-Half Stories, Not to Exceed 35 Feet)
 - Consistent with Nearby Subdivisions (Broadstone Unit No. 3, Parkway)
 - No Change to Maximum Building Height (35 Feet)
 - No Visual Impacts, Improved Building Design

Analysis

04/14/2020; Item No. 17.



- Request: Increase Maximum Lot Coverage for One-Story Single-Family Residences from 45% to 50% to Allow More Flexibility in Terms of Building Size and Design
 - Folsom Municipal Code Requirement (35% Maximum Lot Coverage for both One and Two-Story Homes)
 - Empire Ranch Requirement (45% Maximum Lot Coverage for One-Story Homes)
 - Lot Coverage Request Consistent with Recently Approved Subdivision Projects (Mangini Ranch, Russell Ranch)
 - Lot Coverage Request Comparable to other Subdivisions in the Project Area including Broadstone Unit No. 3 and the Parkway (40-50% Lot Coverage for One-Story Homes)

Analysis

04/14/2020; Item No. 17.

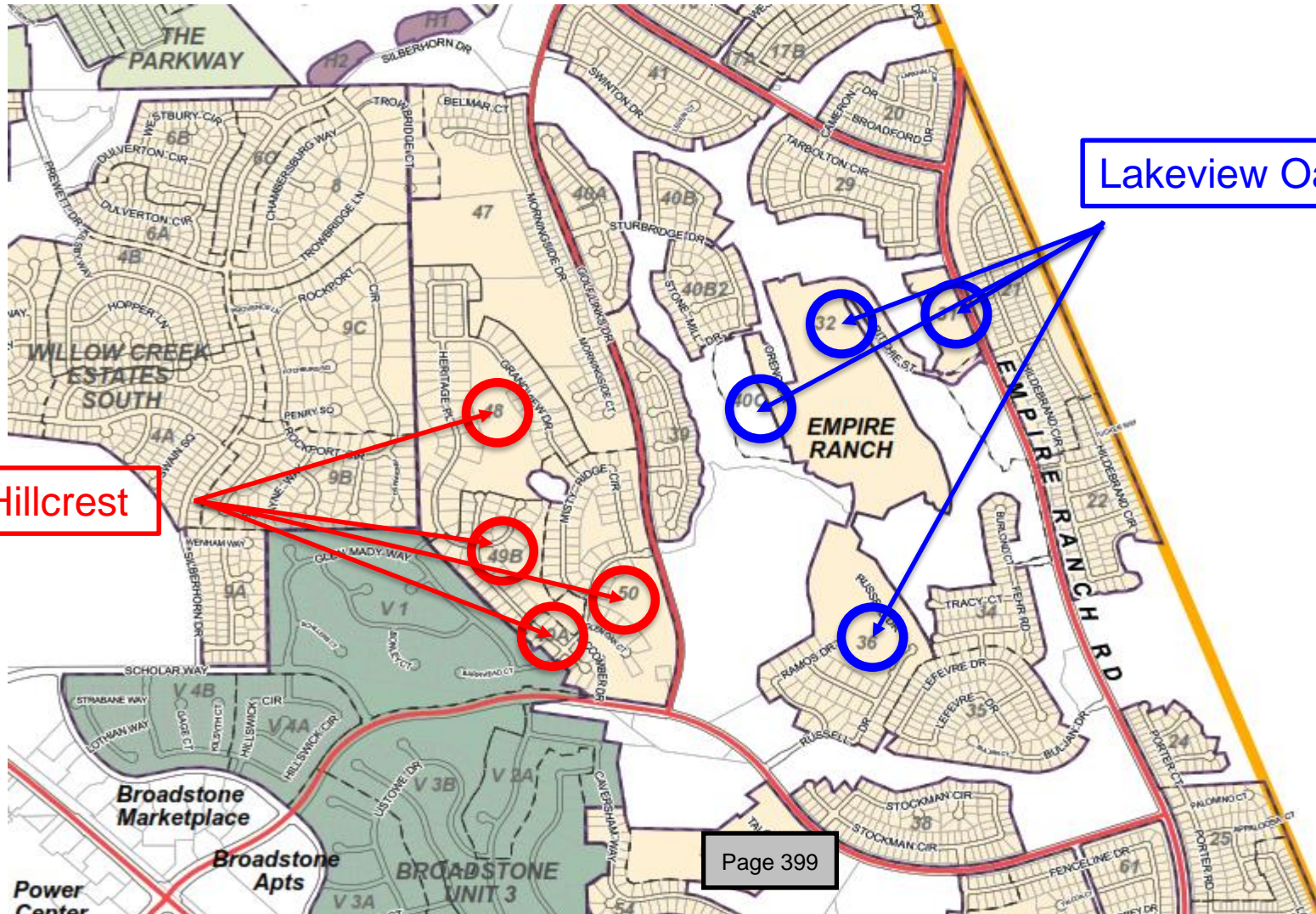
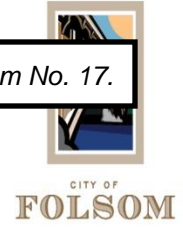


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- Request: Allow One-Story Residences on Downslope Lots to Build Out Lower Basement Level to a Maximum of 25% of the Floor Area of the Primary Floor Area to Enhance the Design and Use of the Lower Basement Level
 - Consistent with Folsom Municipal Code Requirement (No Development Standard that would Prohibit Development on Lower Level Basement on Downslope One-Story Homes within Similar Zoning Districts)
 - Similar to Parkway Subdivision Development Standards (Broadstone Unit No. 3 and Folsom Plan Area Projects have no Standard that would Prohibit Development of Lower Level Basement on One-Story Homes)
 - Will Enhance Visual Appearance of Homes by Allowing Additional Architectural Details to be Placed on the Lower Level of the Home

Areas Affected by Changes

04/14/2020; Item No. 17.

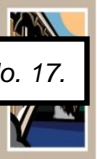


Lakeview Oaks Estates

Hillcrest

Photographic Examples

04/14/2020; Item No. 17.

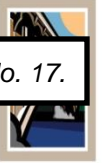


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Photographic Examples

04/14/2020; Item No. 17.

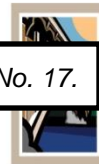


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Photographic Examples

04/14/2020; Item No. 17.

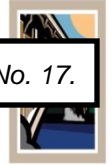


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Planning Commission

04/14/2020; Item No. 17.

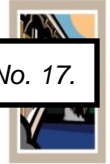


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- Evaluated Project at its February 19, 2019 Meeting
- No Members of Public Spoke at Meeting
- Commission Debated Limited Issues
 - Existing Development Standards
 - Proposed Development Standards
 - Maximum Allowable Building Height
- Commission Voted to Recommend Approval of Project (7-0-0-0)

Staff Recommendation

04/14/2020; Item No. 17.



CITY OF
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Staff Forwards the Planning Commission Recommendation to the City Council for Approval of the Empire Ranch Specific Plan Amendment Project (PN 19-308)



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CITY OF
FOLSOM
ESTABLISHED BY CHARTER

Folsom City Council Staff Report



MEETING DATE:	4/14/2020
AGENDA SECTION:	Old Business
SUBJECT:	Resolution No. 10411 – A Resolution of the City Council Confirming Emergency Order DES-02-20 Issued by the Director of Emergency Services
FROM:	City Attorney's Office

RECOMMENDATION / CITY COUNCIL ACTION

Staff respectfully recommends that the City Council pass and adopt the following Resolution:

Resolution No. 10411 – A Resolution of the City Council Confirming Emergency Order DES-02-20 Issued by the Director of Emergency Services

BACKGROUND / ISSUE

The rapid spread of the novel coronavirus 2019 (COVID-19) throughout the country has caused many states, including the State of California, to declare a state of emergency. Part of the reasons for the emergency declarations is due to the lack of a vaccine and effective medical treatment to help patients recover from COVID-19, which has resulted in severe illnesses, health complications and deaths worldwide.

The Governor of the State of California declared a state of emergency on March 4, 2020. The Sacramento County Board of Supervisors ratified the declaration of a state of emergency by the County Health Officer on March 10, 2020. The Folsom City Council declared the existence of a local emergency on March 16, 2020.

POLICY / RULE

Rules and regulations issued by the City’s Director of Emergency Services must be confirmed by the City Council at the earliest practicable time. Folsom Municipal Code Section 2.28.040(E)(1).

ANALYSIS

On the basis of the City Council declaration of a local emergency, the City’s Director of Emergency Services (City Manager) is empowered to make and issue rules and regulations on matters reasonably related to the protection of life, environment and property as affected by such emergency, and that such emergency rules and regulations must be confirmed by the City Council at the earliest practicable opportunity.

Following the City Council’s proclamation of a local emergency, the City’s Director of Emergency Services issued Emergency Order DES-01-20 on March 20, 2020, which was confirmed by the City Council on March 27, 2020.

In the interest of protecting life and property of those affected by the COVID-19 emergency, the City’s Director of Emergency Services issued a further Emergency Order, DES-02-20, on April 1, 2020 (Attachment No. 2). Said Emergency Order is being presented to the City Council for confirmation consistent with Section 2.28.040(E)(1) of the Folsom Municipal Code.

FINANCIAL IMPACT

Costs and expenses associated with emergency response actions are budgeted in the City’s General Fund, which may be reimbursable under the State and Federal emergency proclamations.

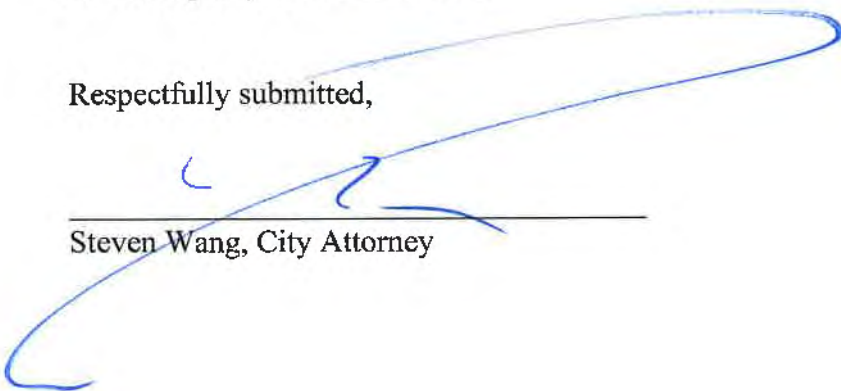
ENVIRONMENTAL REVIEW

This action is not considered a project under Section 15061(b)(3) of the California Environmental Quality Act Guidelines, and as such is exempt from environmental review.

ATTACHMENTS

1. Resolution No. 10411 – A Resolution of the City Council Confirming Emergency Order DES-02-20 Issued by the Director of Emergency Services
2. Emergency Order DES-02-20

Respectfully submitted,



Steven Wang, City Attorney

ATTACHMENT 1

RESOLUTION NO. 10411

**A RESOLUTION OF THE CITY COUNCIL CONFIRMING
EMERGENCY ORDER DES-02-20 ISSUED BY THE
DIRECTOR OF EMERGENCY SERVICES**

WHEREAS, the Governor of the State of California proclaimed on March 4, 2020 a State of Emergency to exist in California as a result of the threat from the rapid spread of a respiratory illness caused by novel coronavirus 2019 (COVID-19); and

WHEREAS, Sacramento County has confirmed community transmission of COVID-19, with multiple cases of diagnosed patients, and cautioned that the rapid transmission of COVID-19 poses an ongoing risk and likelihood of additional patients in Sacramento County; and

WHEREAS, on March 10, 2020 the Sacramento County Board of Supervisors ratified the County Public Health Officer’s Proclamation of Local Public Health Emergency in Sacramento County due to the threat to public health and safety from COVID-19; and

WHEREAS, there is currently no vaccine or medical treatment specifically for COVID-19, which constitutes a potential epidemic under Section 8558 of the Government Code that, by reason of its magnitude, is potentially beyond the control of the services, personnel, equipment and facilities of the City of Folsom and requires the combined forces of a mutual aid region or regions to contain, control, combat, treat and mitigate; and

WHEREAS, on March 16, 2020, the City Council adopted Resolution No. 10408 and proclaimed the existence of a local emergency in the City of Folsom; and

WHEREAS, following the City Council proclamation of a local emergency, and based on the authority in Section 2.28.040 of the Folsom Municipal Code, the City’s Director of Emergency Services issued Emergency Order DES-01-20 on March 20, 2020, which was confirmed by the City Council on March 27, 2020; and

WHEREAS, in the interest of protecting life and property affected by the COVID-19 emergency, the City’s Director of Emergency Services issued further rules and regulations in Emergency Order DES-02-20 on April 1, 2020; and

WHEREAS, rules and regulations issued by the City’s Director of Emergency Services shall be confirmed by the City Council as early as practicable under the circumstances of the emergency.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Folsom that Emergency Order DES-02-20 is hereby confirmed, and all actions taken in furtherance thereto are hereby ratified and approved.

PASSED AND ADOPTED this 14th day of April, 2020, by the following roll-call vote:

AYES: Council Member(s):
NOES: Council Member(s):
ABSENT: Council Member(s):
ABSTAIN: Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

ATTACHMENT 2



EMERGENCY ORDER DES-02-20

Pursuant to the Proclamation of a State of Emergency by California Governor Gavin Newsom on March 4, 2020 in response to the rapid spread of the novel coronavirus (COVID-19), the Governor's Executive Orders (including but not limited to N-33-20), the Order of the Sacramento County Health Officer dated March 19, 2020, the City's Proclamation of a Local Emergency dated March 16, 2020, the Families First Coronavirus Response Act (H.R. 6201) and Government Code Section 8634, I hereby issue the following Order:

1. In the interest of limiting the spread of COVID-19 and protecting the life, health and safety of Folsom residents, City facilities listed on Exhibit "A" attached to this Order are closed and shall remain closed until further notice.
2. As of April 1, 2020 and until notice is given to return to their normal and customary duty location, all non-essential permanent City employees designated by the Human Resources Department shall stay home and be subject to work assignments as determined by their department director from time to time. Decisions to remain at home or return to duty will be made as needed. If not working, non-essential permanent City employees will be able to access the Emergency Leave Benefit ("ELB" - see Section 4 below).
3. All permanent City employees performing essential services as determined by the Human Resources Department shall continue to report to their work locations and perform their duties.
4. Effective April 1, 2020, Emergency Leave Benefit described in Exhibit "B" attached hereto shall be implemented on a temporary basis for permanent full-time and permanent part-time non-public safety City employees, if eligible. Temporary ELB provided herein is not in addition to any emergency leave benefit which the City Council may approve from time to time during the COVID-19 public health emergency, shall terminate without recourse or accrual upon any action by the City Council approving emergency leave benefit for City employees, and any usage of the ELB leave benefit from April 1, 2020 shall be counted toward any emergency leave benefit ultimately approved by the City Council.

Failure of any person to comply with this Order and any order issued by a law enforcement officer pursuant to this Order constitutes an imminent threat to public health.

This Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the City of Folsom, its departments, officers, employees, or any other person.

If any provision of this Order to the application thereof to any person or circumstances is held to be invalid, the remainder of the Order, including the application of such part or provision to other persons or circumstances, shall not be affected and shall continue in full force and effect. To this end, the provisions of this Order are severable.

This Order shall be filed in the City Clerk's Office and given widespread publicity and notice.

**IT IS SO ORDERED:
DES-02-20**

Date: April 1, 2020

By: 
Elaine Andersen
City Manager
Director of Emergency Services

EXHIBIT A

[CLOSURE OF CITY FACILITIES UNTIL FURTHER NOTICE]

- Folsom Public Library
- Steve Miklos Aquatic Center
- Folsom Art Center and the Gallery at 48 Natoma
- Folsom Senior Center
- Andy Morin Sports Complex
- Folsom City Zoo Sanctuary
- Folsom Community Center
- Rotary Clubhouse
- Athletic fields, including but not limited to Lembi, Livermore, Econome, Kemp, Catlin, Davies, Ed Mitchell, Briggs, Rodeo, Handy Family, McFarland, Mann, Nisenan, Cohn, and Sheldon parks
- Basketball courts
- Ball walls
- Bocce ball courts
- FIDO Field Dog Park
- Library book return (no overdue fees will accrue during temporary library closure)
- Pickleball courts
- Playgrounds and play equipment
- Tennis courts
- Volleyball courts
- B.T. Collins Disc Golf Course

EXHIBIT B

[Emergency Leave Benefit]

The Emergency Leave Benefit (ELB) is intended to satisfy the benefit requirements of the federal Public Health Emergency Leave Act (the Act) and the federal Emergency Paid Sick Leave Act (EPSLA).

Effective April 1, 2020, the City shall provide non-public safety permanent full-time and permanent part-time City employees with up to 512 hours of paid time off in the form of ELB for absences due to the inability to work or telework because of COVID-19 related conditions or other reasons as specified in the EPSLA and the Act.

This temporary emergency leave benefit is being provided to (1) help ease the economic stress caused by the COVID-19 pandemic, (2) meet the requirements of EPSLA and (3) meet the requirements of the Act.

The following terms shall apply:

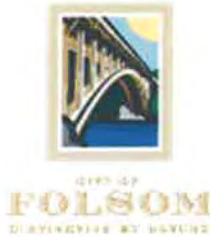
- A. Eligible employees shall mean all non-public safety permanent full-time and permanent part-time City employees as of March 31, 2020, or hired in the period of April 1, 2020 through December 31, 2020.
- B. Five Hundred and Twelve (512) hours of temporary ELB (hours to be prorated for permanent part-time positions) shall be granted to each eligible employee, not 80 as provided by the EPSLA and 400 as provided by the Act.
- C. ELB shall be paid based on 100% of the employee's regular pay (just as compensation is paid to employees when using annual leave), not on the lower amounts and caps as specified by the EPSLA and the Act.
- D. Employees shall be entitled to utilize ELB for absences due to the inability to work or telework because of COVID-19 related conditions or other reasons as specified in the EPSLA and the Act, before they can be required to utilize any other paid leave benefit provided by the City.
- E. Employees shall be available during their normal and customary work schedule to perform work assignments as determined by their department director.
- F. Employees who wish to be on vacation or are sick or injured for non-COVID-19 reasons shall use their annual or sick leave rather than ELB.
- G. ELB shall run concurrently with FMLA Public Health Emergency Leave. An employee may choose to use ELB during the first 10 days of FMLA Public Health Emergency Leave which is, by law, unpaid.
- H. Employees may use ELB from April 1, 2020 through December 31, 2020 for absences due to the inability to work or telework because of COVID-19 related conditions or other reasons specified in the EPSLA and the Act.
- I. Unused ELB shall not carry over beyond December 31, 2020.

- J. There is no cash-out value to any ELB time.
- K. There is no use of any unused ELB at the time of separation of employment or beyond December 31, 2020.
- L. ELB cannot be donated as catastrophic leave or transferred to another employee for any reason.
- M. Use of ELB will count towards use of FMLA leave but any FMLA leave prior to April 1, 2020 will not reduce the amount of ELB.

The City retains the right to determine “essential services and duties”, to make work assignments, to determine if an employee can work at home or must come in to the job location, to telework, to schedule working hours, and whether or not employees are working full-time or part-time.

/// NOTHING FOLLOWS ///

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Folsom City Council Staff Report



MEETING DATE:	4/14/2020
AGENDA SECTION:	New Business
SUBJECT:	City of Folsom Community Facilities District No. 23 (Folsom Ranch) a. Resolution No. 10414 - A Resolution of the City Council of the City of Folsom Appointing Consultants, Approving a Proposed Boundary Map and Declaring Intention to Form a Community Facilities District to be Named “City of Folsom Community Facilities District No. 23 (Folsom Ranch)” and to Levy Special Taxes therein b. Resolution No. 10415 - A Resolution of the City Council of the City of Folsom Declaring the Necessity for Incurring Bonded Indebtedness in and for the City of Folsom Community Facilities District No. 23 (Folsom Ranch) and in and for each Improvement Area Designated therein and Calling for a Public Hearing thereon.
FROM:	Finance Department

RECOMMENDATION / CITY COUNCIL ACTION

It is recommended that the City Council adopt the following resolutions:

Resolution No. 10414 - A Resolution of the City Council of the City of Folsom Appointing Consultants, Approving a Proposed Boundary Map and Declaring Intention to Form a Community Facilities District to be Named “City of Folsom Community Facilities District No. 23 (Folsom Ranch)” and to Levy Special Taxes therein

Resolution No. 10415 - A Resolution of the City Council of the City of Folsom Declaring the Necessity for Incurring Bonded Indebtedness in and for the City of Folsom Community

Facilities District No. 23 (Folsom Ranch) and in and for each Improvement Area Designated therein and Calling for a Public Hearing thereon.

BACKGROUND / ISSUE

The Folsom Plan Area Specific Plan Public Facilities Financing Plan (“PFFP”), approved by the City Council on January 28, 2014 via Resolution 9298, is an \$877 million plan that describes the backbone infrastructure and facility requirements, presents a comprehensive financing strategy, and sets forth the estimated time horizon for the development of the Folsom Plan Area (“FPA”).

Landowners within the FPA requested to form the proposed City of Folsom Community Facilities District No. 23 (Folsom Ranch) (“CFD No. 23”), including six separate Improvement Areas (“IA”), designated as Improvement Area No. 1 through Improvement Area No. 6. Special tax revenues generated from each IA within CFD No. 23 will help fund all or a portion of the project’s share of PFFP backbone infrastructure and facilities, including related environmental mitigation obligations. A detailed list of authorized facilities can be found under Appendix A of Resolution No. 10414. A summary of the facilities authorized to be funded by CFD No. 23 include, but are not limited to:

- Transportation Improvements including all public roadway improvement designed to meet the needs of development within CFD No. 23, including internal subdivision streets and related underground utilities.
- Water System Improvements
- Recycled Water System Improvements
- Drainage System Improvements
- Wastewater System Improvements
- Park, Parkway and Open Space Improvements
- Specific Plan Infrastructure Fee Improvements
- Payment of Specific Plan Infrastructure Fee Program Obligation
- Other Incidental Expenses and Bond Issuance Costs

In addition, the following project-specific services are anticipated to be funded by CFD No. 23 special taxes:

- Enhanced open space maintenance
- Landscape corridors and paseos
- Street light maintenance
- Medians, entries and entry monumentation
- Neighborhood park maintenance
- Community amenities
- Storm water management
- Other miscellaneous costs related to any of the items described above
- Anticipated future repairs or replacements costs.

The proposed CFD No. 23 is located within the FPA and is generally bounded by U.S. Highway 50 on the north, Placerville Road on the east, and White Rock Road on the south. Each IA within CFD No. 23 includes several Assessor’s Parcel Numbers, which are identified in the proposed boundary map for CFD No. 23, included as Attachment 4. The proposed development plan for each IA within CFD No. 23 includes the following:

IA	SF Units	SF High-Density Units	MF Low-Density Units	MF Medium Density Acreage	MF High Density Acreage	Non-Residential Acreage
IA1	0	441	257	0.0	9.80	0.0
IA2	0	0	340	0.0	0.0	0.0
IA3	0	1,068	157	0.0	0.0	0.0
IA4	100	266	251	0.0	0.0	0.0
IA5	84	194	401	9.7	17.8	0.0
IA6	0	0	0	9.5	9.3	11.4

The CFD No. 23 funding stream will be a combination of bonded indebtedness and pay-as-you-go (“PAYGO”) funding, both secured by the levy of special taxes upon property within the boundaries of CFD No. 23.

The resolutions attached begin the proceedings to provide for the creation of CFD No. 23. Resolution No. 10414 will appoint consultants, approve the boundary map (Attachment 4), declare the intention to form CFD No. 23, and authorize the City to levy special taxes within the district. Resolution No. 10415 declares the necessity to incur bonded indebtedness within each IA of CFD No. 23.

If these resolutions are approved, a Public Hearing will be scheduled, along with an election of owners of property within CFD No. 23, for May 26, 2020.

POLICY / RULE

Chapter 5 of the Folsom Plan Area Public Facilities Financing Plan authorizes the formation of CFDs to finance the construction, acquisition, and servicing of FPA backbone infrastructure and public facilities.

Section 2.5.3 of the First Amended and Restated Tier 1 Development Agreement authorizes the formation of infrastructure CFDs.

Resolution No. 9282 – A Resolution of the City Council of the City of Folsom Approving Goals and Policies for Community Facilities Districts

Mello-Roos Community Facilities Act of 1982

ANALYSIS

CFD No. 23 will be structured as an extended-term CFD and will provide the necessary funding to help fund all or a portion of the project’s share of PFFP backbone infrastructure and facilities, including related environmental mitigation obligations. The PFFP backbone infrastructure and facilities will be financed using both bond proceeds and PAYGO special tax revenues. The extended-term CFD structure is proposed to help to meet the challenge of high-cost infrastructure and facilities while also aligning the timing of future funding availability with the need for such funding.

The PFFP backbone facilities to be funded via CFD No. 23, and listed above, were originally anticipated to be funded by either Community Facilities District No. 18 (Folsom Plan Area - Area-Wide Improvements and Services) or funded as part of project specific CFDs established for each development within the FPA.

The special tax revenue generated from taxable parcels within each IA of CFD No. 23 will be comprised of a special tax to fund facilities and a special tax to fund services. The 2020/21 maximum facilities special tax rates, set forth in each IA’s Rate and Method of Apportionment, for each land use category are provided in the table below:

Land Use Category	Residential Floor Area (square footage)	2020/21 Maximum Facilities Special Tax Rate (All IAs)	Per
Single-Family Detached Property - SF/SFHD Zoning	≥ 3,600	\$3,886	Unit
Single-Family Detached Property - SF/SFHD Zoning	3,200 - 3,599	3,571	Unit
Single-Family Detached Property - SF/SFHD Zoning	2,800 - 3,199	3,559	Unit
Single-Family Detached Property - SF/SFHD Zoning	2,400 - 2,799	3,293	Unit
Single-Family Detached Property - SF/SFHD Zoning	2,000 - 2,399	3,000	Unit
Single-Family Detached Property - SF/SFHD Zoning	< 2,000	2,900	Unit
Single-Family Detached Property - MLD Zoning	≥ 3,600	3,886	Unit
Single-Family Detached Property - MLD Zoning	3,200 - 3,599	3,571	Unit
Single-Family Detached Property - MLD Zoning	2,800 - 3,199	3,559	Unit
Single-Family Detached Property - MLD Zoning	2,400 - 2,799	3,293	Unit
Single-Family Detached Property - MLD Zoning	2,000 - 2,399	3,000	Unit
Single-Family Detached Property - MLD Zoning	< 2,000	2,900	Unit
MMD Multi-Family Attached Property	N/A	30,000	Acre
MHD Multi-Family Attached Property	N/A	11,700	Acre
Non-Residential Property	N/A	11,700	Acre

The CFD No. 23 facilities special tax can be levied and collected through Fiscal Year 2079/80. Each fiscal year, commencing with 2021/22, the maximum facilities special tax rate will be increased by 2% annually.

The 2020/21 maximum services special tax rates, set forth in each IA’s Rate and Method of Apportionment, for each land use category are provided in the table below:

Land Use Category	IA1	IA2	IA3*	IA4	IA5	IA6	Per
Single-Family Detached Property - SF/SFHD Zoning	\$210	\$200	\$175	\$205	\$165	\$0	Unit
Single-Family Detached Property - MLD Zoning	156	103	125	140	85	0	Unit
MMD Multi-Family Attached Property	500	500	500	500	500	2,850	Acre
MHD Multi-Family Attached Property	1,000	1,000	1,000	1,000	1,000	2,790	Acre
Non-Residential Property	1,000	1,000	1,000	1,000	1,000	0	Acre

* For Active Adult Property the maximum services special tax rate for SF/SFHD Zoning property is \$100 per unit and MLD zoning property is \$40 per unit.

The CFD No. 23 services special tax can be levied and collected in perpetuity. Each fiscal year, commencing with 2021/22, the maximum services special tax rate will be increased by the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed 4%.

As described above, CFD No. 23 will include an extended-term in order to provide the financing to fund CFD No. 23 authorized facilities through multiple CFD bond issues and the generation of PAYGO special tax revenue from the levy and collection of the special tax. The primary pledge of CFD No. 23 special tax revenues will be to service outstanding CFD No. 23 debt. Special tax revenues in excess of the annual debt service and administrative expenses will be used on a PAYGO basis. 100% of the PAYGO revenue beginning with CFD No. 23 formation through the 20th fiscal year is intended to be available to the landowners to fund eligible facilities. After that, any PAYGO revenues may be used at the City’s discretion to continue to fund or acquire eligible facilities, or the City may elect to reduce the special tax levy amount to eliminate PAYGO revenues.

Approving the resolutions attached also approves the boundary map for CFD No. 23, and approves the following consultants to assist in the formation of CFD No. 23:

- Bond Counsel: Orrick, Herrington & Sutcliffe LLP
- Disclosure Counsel: Orrick, Herrington & Sutcliffe LLP
- Tax Consultant: NBS
- Municipal Advisor: Fieldman, Rolapp & Associates
- Appraiser: Integra Realty Resources
- Market Economist: The Gregory Group

Upon passage of these resolutions, a Public Hearing, concerning the formation of CFD No. 23, will be scheduled, along with an election of owners of property within CFD No. 23, for May 26, 2020.

FINANCIAL IMPACT

There is no direct General Fund impact on the City of Folsom. The CFD No. 23 formation, bonded indebtedness, and expenses are solely the responsibility of CFD No. 23. The General Fund is not impacted by the CFD No. 23 Rate and Method of Apportionment.

ENVIRONMENTAL REVIEW

An Initial Study and Mitigated Negative Declaration prepared for the Folsom Plan Area Backbone Infrastructure Project were previously prepared for, and adopted by the City Council on February 24, 2015, in accordance with the requirements of the California Environmental Quality Act. Pursuant to CEQA Guidelines section 15378(c), the term “project” does not mean each separate governmental approval for an approved activity which may be subject to several discretionary approvals by governmental agencies. Additionally, the creation of government funding mechanisms which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment is not defined as a “project” under CEQA. CEQA Guidelines Section 15378(b)(4) and 15061(b)(3).

ATTACHMENTS

1. Resolution No. 10414 - A Resolution of the City Council of the City of Folsom Appointing Consultants, Approving a Proposed Boundary Map and Declaring Intention to Form a Community Facilities District to be Named “City of Folsom Community Facilities District No. 23 (Folsom Ranch)” and to Levy Special Taxes therein
2. Resolution No. 10415 - A Resolution of the City Council of the City of Folsom Declaring the Necessity for Incurring Bonded Indebtedness in and for the City of Folsom Community Facilities District No. 23 (Folsom Ranch) and in and for each Improvement Area Designated therein and Calling for a Public Hearing thereon
3. Landowner Petitions and Waivers
4. Boundary Map of Proposed CFD No. 23

Submitted,

Stacey Tamagni
Finance Director

ATTACHMENT 1

RESOLUTION NO. 10414

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM
APPOINTING CONSULTANTS, APPROVING A PROPOSED
BOUNDARY MAP AND DECLARING INTENTION TO FORM A
COMMUNITY FACILITIES DISTRICT TO BE NAMED "CITY OF
FOLSOM COMMUNITY FACILITIES DISTRICT NO. 23 (FOLSOM
RANCH)" AND TO LEVY SPECIAL TAXES THEREIN**

WHEREAS, in accordance with the provisions of Section 53312.7 and 53345.8 of the California Government Code, the City Council (the "City Council") of the City of Folsom (the "City") previously adopted the Local Goals and Policies (the "City Goals and Policies") concerning the use of the Mello-Roos Community Facilities Act of 1982 (the "Act"); and

WHEREAS, it is proposed to form a community facilities district within the area of the City known as "Folsom Ranch" under the Act; and

WHEREAS, the name of the proposed community facilities district shall be "City of Folsom Community Facilities District No. 23 (Folsom Ranch)" ("CFD 23" or the "CFD"); and

WHEREAS, pursuant to Section 53350 of the Act, it is proposed to designate six improvement areas within CFD 23 (each, an "Improvement Area"); and

WHEREAS, the names of the Improvement Areas shall be "City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area No. 1" ("Improvement Area No. 1"), "City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area No. 2" ("Improvement Area No. 2"), "City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area No. 3" ("Improvement Area No. 3"), "City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area No. 4" ("Improvement Area No. 4"), "City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area No. 5" ("Improvement Area No. 5"), and "City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area No. 6" ("Improvement Area No. 6"); and

WHEREAS, the proposed boundaries of CFD 23, and each portion of CFD 23 designated as an Improvement Area, are shown on the boundary map entitled "Map of Boundaries City of Folsom Community Facilities District No. 23 (Folsom Ranch)," on file with the City Clerk (the "Boundary Map"); and

WHEREAS, the types of public facilities (the "Facilities") and services (the "Services") proposed to be financed by CFD 23 are set forth in Exhibits A and B, respectively, attached hereto, and the City finds that the Facilities and Services are necessary to meet increased demands placed upon the City as the result of new development occurring and anticipated within CFD 23; and

WHEREAS, the types of incidental expenses proposed to be incurred are set forth in Exhibit C attached to this resolution;

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

Section 1. The City Council finds and determines that the foregoing recitals are true and correct.

Section 2. The City Council hereby finds and determines that CFD 23, and each Improvement Area, is in compliance with the City Goals and Policies, and to the extent of any non-compliance with the City Goals and Policies, such compliance is hereby waived by the City.

Section 3. It is the intention of the City Council to establish and the City Council hereby proposes to establish a community facilities district under and pursuant to the terms and provisions of the Act to be known and designated as the "City of Folsom Community Facilities District No. 23 (Folsom Ranch)." The boundaries of the territory proposed for inclusion in CFD 23 are more particularly described and shown on the Boundary Map now on file in the office of the City Clerk. The City Council hereby approves the Boundary Map and adopts the boundaries shown on the Boundary Map as describing the extent of the territory included in CFD 23 and each Improvement Area therein. The City finds that the Boundary Map is in the form and contains the matters prescribed by Section 3110 of the California Streets and Highways Code and directs the City Clerk to certify the adoption of this resolution on the face of the Boundary Map, and to file a copy of the Boundary Map with the County Recorder for placement in the Book of Maps of Assessment and Community Facilities Districts no later than fifteen (15) days after the adoption of this resolution.

Section 4. It is the intention of the City Council to finance the Facilities and fund the Services described in Exhibits A and B, respectively, attached hereto and made a part hereof. All of the Facilities to be financed will have an estimated useful life of at least five (5) years. They are public facilities that the City or another governmental entity is authorized by law to construct, own or operate or to which they may contribute revenue. The Facilities to be financed need not be physically located within CFD 23.

Section 5. Except where funds are otherwise available, special taxes sufficient to pay for all Facilities and Services will be annually levied within each Improvement Area. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure the related levy of the special tax shall attach to all nonexempt real property within CFD 23, and the lien shall continue in force and effect until the special tax obligation (or any portion thereof) is paid or prepaid and permanently satisfied and the related special tax lien is cancelled in accordance with law or until collection of the related special tax by the City ceases. The rate and method of apportionment of the special tax to be levied in each Improvement Area are set forth in Exhibit D-1 through D-6, respectively, attached to this resolution. The special tax with respect to the Facilities on any parcel within each Improvement Area shall not be levied after the earlier of (i) Fiscal Year 2079-80 or (ii) the Fiscal Year occurring 50 years following (a) the Fiscal Year in which the first building permit was issued or (b) the first series of bonds or other debt issued for the respective Improvement Area. The special tax with respect to the Services shall be levied perpetually until the collection of the special tax by the City ceases. In the case of any special tax to pay for the Facilities and to be levied against any parcel used for private residential purposes, under no circumstances will the special tax levied against

any parcel be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within any Improvement Area by more than 10 percent of the special tax for Facilities that would be levied in that Fiscal Year but for such delinquencies or defaults.

Section 6. Advances of funds or contributions of work in kind from any lawful source, specifically including owners of property within each Improvement Area, may be reimbursed from bond proceeds or from special tax revenue or both to the extent of the lesser of the value or cost of the contribution, but any agreement to do so shall not constitute a debt or liability of the City.

To the extent the Facilities will not be constructed by the City, in the opinion of the City Council, the public interest will not be served by allowing the property owners in CFD 23 to intervene in a public bidding process pursuant to Section 53329.5(a) of the Act.

Section 7. The City intends to reserve to itself the right and authority to allow bond tenders from any interested landowner within CFD 23 to be accepted under Government Code sections 53344.1 and 53356.8 in full or partial payment of any installment of the special taxes or the interest or penalties thereon.

Section 8. The City Council hereby sets Tuesday, May 26, 2020, 6:30 p.m., or as soon thereafter as the City Council may reach the matter, at the City Hall, 50 Natoma Street, Folsom, CA, 95630, as the time and place for the public hearing on the formation of CFD 23. At the hearing, oral and written testimony concerning the formation of CFD 23, the extent of CFD 23, the designation of the Improvement Areas and the furnishing of the Facilities and Services will be heard and protests will be considered from registered voters residing within CFD 23 and persons owning real property within CFD 23. Written protests against the formation of CFD 23 or designation of an Improvement Area by a majority of the registered voters (if at least six such voters protest) or by the owners of a majority of the land which would be subject to special taxation within the related Improvement Area will require the suspension of proceedings to form CFD 23, to designate the related Improvement Area and to levy the specified special tax for at least one year. If such protests constitute a majority protest and are directed only against a specified type or types of the Facilities and Services or against levying a specified special tax, only those types of Facilities, Services or the specified special tax will be eliminated from the proceedings. Any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularities and defects to which objection is made. Written protests must be filed with the City Clerk at or before the time fixed for the hearing.

Section 9. Any bonds issued in these proceedings shall be callable in accordance with the provisions of the Act and as more specifically to be set forth in any resolution authorizing the issuance of bonds or indenture authorized thereby.

Section 10. It is anticipated that the special tax will be billed as a separate line item on the regular secured property tax bills, and will be subject to the same enforcement mechanism, and the same penalties and interest for late payment, as regular ad valorem property taxes. However, the City reserves the right, under Section 53340, to utilize any method of collecting the special tax which it shall, from time to time, determine to be in the best interests of the City, including, but not limited to, direct billing by the City to the property owners and supplemental billing, and when lawfully available, judicial foreclosure of the special tax lien.

Section 11. The City Manager or his/her designee is directed to study CFD 23 and prepare for filing at the public hearing the report required by Section 53321.5 of the Act (the “CFD Hearing Report”). The City Manager may delegate to consultants the duty to perform the study and prepare the CFD Hearing Report.

Section 12. If elections are held in these proceedings, it is the intention of the City Council that the electors will be the owners of property within CFD 23 pursuant to Sections 53326 and 53350 of the Act.

Section 13. The City Council also intends to establish the annual appropriations limit of Improvement Area No. 1 at \$15,900,000, for Improvement Area No. 2 at \$7,400,000, for Improvement Area No. 3 at \$25,200,000, for Improvement Area No. 4 at \$13,300,000, for Improvement Area No. 5 at \$21,600,000, and for Improvement Area No. 6 at \$3,500,000, each for the 2020-21 fiscal year.

Section 14. The City Clerk is hereby directed to have the Notice of Public Hearing in the form attached to this resolution as Exhibit E published once in a newspaper of general circulation in the vicinity of CFD 23, no later than ten (10) days prior to the public hearing.

Section 15. The City hereby appoints the following consultants in connection with CFD 23 and hereby authorizes or ratifies, as the case may be, the execution by the City Manager or the Finance Director of agreements with said firms in substantially the forms on file with the City Clerk.

- | | |
|---------------------|------------------------------------|
| Bond Counsel: | Orrick, Herrington & Sutcliffe LLP |
| Disclosure Counsel: | Orrick, Herrington & Sutcliffe LLP |
| Tax Consultant: | NBS |
| Municipal Advisor: | Fieldman, Rolapp & Associates |
| Appraiser: | Integra Realty Resources |
| Market Economist: | The Gregory Group |

Section 16. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 14th day of April, 2020, by the following roll-call vote:

AYES: Council Member(s):

NOES: Council Member(s):

ABSENT: Council Member(s):

ABSTAIN: Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

EXHIBIT A
AUTHORIZED FACILITIES
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)

The Facilities to be financed by CFD 23 include facilities designed to meet the needs of development within CFD 23, whether such facilities are located within or outside the boundaries of CFD 23, and include but are not limited to the following:

Transportation Improvements

Eligible roadway improvements include, but are not limited to: acquisition of land and easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal), and decorative/enhanced pavement concrete and/or pavers; joint trenches, underground utilities and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts; signs and striping; erosion control; median and parkway landscaping and irrigation; entry monumentation; bus shelters, Bus Rapid Transit improvements including transfer stations and regional public transit improvements; masonry walls; traffic control and agency fees; and other improvements related thereto. Eligible improvements for the roads listed herein also include any and all necessary underground potable and recycled water, sanitary sewer, and storm drainage system improvements.

Authorized facilities include the following transportation improvements:

- All public roadway improvements designed to meet the needs of development within CFD No. 23, including internal subdivision streets and related underground utilities.

Water System Improvements

Authorized facilities include any and all water facilities designed to meet the needs of development of property within CFD 23. These facilities include, but may not be limited to: water storage, treatment and distribution facilities including waterlines and appurtenances, gate valves, pressure reducing stations, flow meters, fire hydrants, and other improvements related thereto such as site clearing, grading and paving; curbs and gutters; booster pump stations and power; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates, and fencing; and striping and signage.

Recycled Water System Improvements

Authorized facilities include any and all recycled water system facilities designed to meet the needs of development of property within CFD 23. These facilities include, but may not be

limited to: treatment and distribution facilities including pipelines and appurtenances, gate valves, flow meters, booster pump pressurization system, and other improvements related thereto - such as site clearing, grading and paving; curbs and gutters; booster pump stations; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates, and fencing; and striping and signage.

Drainage System Improvements

Authorized facilities include any and all drainage and storm drain improvements designed to meet the needs of development of property within CFD 23. These facilities include, but may not be limited to: excavation and grading, pipelines and appurtenances, outfalls and water quality measures, detention/retention basins, drainage pretreatment facilities, drainage ways/channels, pump stations, landscaping and irrigation; access roads, gates, and fencing; and striping and signage and other improvements related thereto.

Wastewater System Improvements

Authorized facilities include any and all wastewater facilities designed to meet the needs of development of property within CFD 23. These facilities include, but may not be limited to, pipelines and all appurtenances thereto; manholes; tie-in to existing main lines; force mains; lift stations; upgrades to existing lift stations; odor-control facilities; and permitting related thereto; and related sewer system improvements.

Park, Parkway and Open Space Improvements

Authorized facilities include any and all improvements to parks, parkways and open space required for development of property within CFD 23. These facilities include, but may not be limited to: grading, turf, shrubs and trees, landscaping irrigation, site lighting, drainage, sanitary sewer and water service, pedestrian and bicycle trails, protective fencing (including soundwalls), pedestrian/bicycle bridges, storm drain crossings, wetland mitigation, hawk mitigation for authorized facilities herein, access gates and fencing and related open space improvements. Authorized facilities include acquisition of any and all parkland as well as open space/bike trail/public access easements required for development of property within CFD 23.

Specific Plan Infrastructure Fee Infrastructure

Authorized facilities include any and all improvements that are included in the Specific Plan Infrastructure Fee Program adopted by the City Council on September 8, 2015, including any future amendments thereto.

Specific Plan Infrastructure Fee Obligation

Subject to the provisions of the Act, authorized facilities include payment of the following SPIF obligations for all development that would be subject to SPIF obligations within the entire CFD No. 23:

- SPIF Infrastructure Fee (including the SPIF Set-Aside component)
- SPIF Public Facilities Land Equalization Fee Component

- SPIF Parkland Equalization Fee Component
- SPIF Administrative Fee.

Other Incidental Expenses and Bond Issuance Costs

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, including, but not limited to, the cost of planning and designing the facilities (including the cost of environmental evaluation, remediation and mitigation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs (including the costs of legal services) associated with the formation of the Mello-Roos CFD; issuance of bonds (if any); determination of the amount of taxes; collection of taxes; payment of taxes; costs of calculating and providing reimbursements from one-time special tax payments; or costs otherwise incurred in order to carry out the authorized purposes of the CFD; and any other expenses incidental to the formation and implementation of the CFD and to the construction, completion, inspection and acquisition of the authorized facilities.

EXHIBIT B
AUTHORIZED SERVICES
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)

The authorized services to be funded from the levy and collection of annual special taxes include those set forth below in addition to the costs associated with collecting and administering the special taxes and annual administration of CFD No. 23. The CFD will be eligible to fund all or a portion of the costs of reconstruction and/or rehabilitation, operation, maintenance, repair and replacement, and servicing of the following items not otherwise subject to funding from the City of Folsom Community Facilities District No. 18 (Folsom Plan Area – Area-Wide Improvements and Services):

1. Open Space improvements, operations and management, monitoring, maintenance (including general maintenance, signage, City owned fence maintenance, trash and debris collection, and bike trails and their appurtenances [drainage culverts or pipes from adjacent subdivisions] within open space), creation and maintenance of fire breaks, Permits, Vandalism/Graffiti, Flood Conveyance (Vegetation/tree removals), Beaver dam removals, Outfall/drainage swale maintenance, Erosion control/bank stabilization, Native planting/replanting, Pre and post emergent, maintenance activities as required by a 404 permit and Operations and Management Plan-Conservation and Passive Recreation Open Space, dated June 9, 2017, and repair and replacement of facilities within open space areas in the Project Area.

2. The maintenance of on-site landscape corridors and paseos designed to serve land uses within the CFD, including general maintenance, masonry walls, accent lighting, water and utility costs.

3. The maintenance of streetlights, including any utility costs related thereto.

4. The maintenance of medians, entries, and entry monumentation.

5. Neighborhood park maintenance, and repair and replacement.

6. Community amenities, such as a community clubhouse.

7. Storm water management, water quality structural controls, including drainage swales constructed between storm drain facilities and receiving waters.

8. Miscellaneous costs related to any of the items described above including planning, engineering, GIS, legal, and city and county administration costs.

9. The levy of special taxes to accumulate sinking funds for anticipated future repairs or replacement costs of landscape corridors, irrigation facilities, medians, entries and entry monumentation, lighting, neighborhood parks, storm water management and other facilities maintained by the CFD as determined by the Administrator.

Annual maintenance functions and costs generally will include the installation, maintenance and servicing of ground cover, shrubs and trees, irrigation systems, street lighting, fencing, sound walls, sidewalks, monuments, enhanced open space maintenance including but not limited to maintaining the enhanced open space areas located adjacent to avoided or created habitat mitigation areas and other buffer areas between the enhanced open space and vertical development, bike trails, walkways, entry signage, street pavers, and labor, materials, supplies, utilities (including water and electricity) and equipment, as applicable, for property owned or maintained by the City. Annual maintenance costs include an allowance for long-term repair and replacement of improvements.

CFD 23 may fund any of the following related to the maintenance of the services described above: obtaining, repairing, reconstructing, furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/or equipment, apparatus, facilities or fixtures in areas to be maintained, paying the salaries and benefits of the personnel necessary or convenient to provide the services, and other related expenses and the provision of reserves for repairs and replacements for the future provision of services. It is expected that the services will be provided by the City, either with its own employees or by contract with third parties, or any combination thereof. CFD 23 may also fund administrative fees of the City related to CFD 23.

EXHIBIT C

**INCIDENTAL EXPENSES AND BOND ISSUANCE COSTS
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)**

It is anticipated that the following incidental expenses may be incurred for CFD 23:

- Engineering services
- Special tax consultant services
- City review and administration
- Bond counsel services
- Bond counsel expenses
- Disclosure counsel services
- Disclosure counsel expenses
- Independent municipal advisor services and expenses
- Appraiser services
- Market absorption study and real estate economist services
- Initial bond transfer agent, fiscal agent, registrar and paying agent fees
- Rebate calculation service set up charge
- Bond printing
- Offering memorandum printing and mailing costs
- Publishing, mailing and posting of notices
- Underwriter's discount
- Bond reserve fund
- Capitalized interest
- Bond syndication costs
- Governmental notification and filing costs
- Credit enhancement costs
- Real estate acquisition costs
- Rating agency fees
- Charges and fees of City other than those waived

Certain annual costs may be included in each annual special tax levy. These include:

- Annual bond transfer agent, fiscal agent, registrar and paying agent fees
- Annual rebate calculation costs
- Special tax consultant costs and administration expenses
- Other necessary consultant costs
- Costs of posting and collecting the special taxes
- Personnel and Administrative costs of the City
- Arbitrage rebate
- Continuing disclosure reporting and compliance

EXHIBIT D-1

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23, IMPROVEMENT AREA NO. I
(FOLSOM RANCH)**

[ATTACH]

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 1**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 1 (CFD No. 23 IA1) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA1 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel 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.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA1.

"Bond Year" means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA1 under the Act.

"CFD No. 23 IA1 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 23 IA1” means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 1.

“City” means the City of Folsom.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 23 IA1.

“County” means the County of Sacramento.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Effective Tax Rate Evaluation” means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Minimum Facilities Revenue” means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA1 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

“Exempt Property” means all Assessors’ Parcels that are exempt from the Special Tax pursuant to Section F. Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA1, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No.

23 IA1, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA1, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA1 for any other administrative purposes, including, but not limited to, attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

"Facilities Special Tax" means the annual Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Facilities Special Tax Requirement.

"Facilities Special Tax Escalation Factor" means two percent (2%) annually.

"Facilities Special Tax Requirement" means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA1 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA1 Administrator pursuant to the Indenture.

"Facilities Special Tax Term" means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA1.

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

"Indenture" means the 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.

"Large Lot Property" means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

"Large Lot Map" means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA1 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor’s Parcel shall be classified as Non-Residential Property.

“MMD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Non-Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

“Open Space Property” means property within the boundaries of CFD No. 23 IA1 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Outstanding Bonds” means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

“Pay as You Go Costs” means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA1.

“Permit Ready Multi-Family/Non-Residential Property” means an Assessor’s Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor’s Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor’s Parcel as Permit Ready Multi-Family/Non-Residential Property.

“Planned Development” means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA1, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA1.

“Price Point Study” means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

“Property Owner Association Property” means any property within the boundaries of CFD No. 23 IA1, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA1.

“Public Property” means any property within the boundaries of CFD No. 23 IA1, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is

designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA1 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA1, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA1 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA1 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the

Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA1 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA1 that are not exempt from the CFD No. 23 IA1 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA1 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA1 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor’s Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the

revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IA1, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IA1.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor’s Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property

subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IA1 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA1 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 23 IA1 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA1.

Using the definitions and procedures described herein, the CFD No. 23 IA1 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IA1 Facilities Special Tax levied against any Assessor’s Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IA1 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor’s Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

F.1. The CFD No. 23 IA1 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

F.2. The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until

the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

F.3. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section F.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

G. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 23 IA1, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 23 IA1 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

H. INTERPRETATIONS

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

I. REVIEW/APPEALS

The CFD No. 23 IA1 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA1 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 may file a written appeal of the Special Tax with the CFD No. 23 IA1 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA1 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA1 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA1 Administrator’s decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA1 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years’ Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA1, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor’s Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA1 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA1 Administrator shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of

redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA1 Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor’s Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor’s Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor’s Parcel’s annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IA1, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor’s Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the “Prepayment Quotient”).

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities

Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section K.1 above

A = the Administrative Fees and Expenses calculated according to Section K.1 above

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IA1 Administrator of (i) such owner's intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA1 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 23 IA1 Administrator shall indicate in the records of CFD No. 23 IA1 that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 - F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Developed Property:				
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$210	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	210	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	210	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	210	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	210	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	210	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	156	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	156	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	156	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	156	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	156	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	156	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	500	Acre
MHD Multi-Family Attached Property	Not Applicable	11,700	1,000	Acre
Non-Residential Property	Not Applicable	11,700	1,000	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Small Lot Final Map Property:				
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$210	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	156	Residential Lot
Permit Ready Multi-Family/Non-Residential Property				
	Not Applicable	\$11,700	\$1,000	Acre
Large Lot Property				
	Not Applicable	\$22,500	\$1,400	Acre
Undeveloped Property				
	Not Applicable	\$22,500	\$1,400	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	441	\$2,900	\$1,278,900
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	257	2,900	745,300
MMD Multi-Family Attached Property	0.0	30,000	0
MHD Multi-Family Attached Property	9.8	11,700	114,660
Non-Residential Property	0.0	11,700	0
Total Minimum Facilities Revenue			\$2,138,860

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$ _____	Acre
Large Lot Property	Not Applicable	\$ _____	Acre
Undeveloped Property	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

EXHIBIT D-2

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23, IMPROVEMENT AREA NO. 2
(FOLSOM RANCH)**

[ATTACH]

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 2**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 2 (CFD No. 23 IA2) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA2 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA2, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel 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.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA2.

"Bond Year" means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA2 under the Act.

"CFD No. 23 IA2 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 23 IA2” means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 2.

“City” means the City of Folsom.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 23 IA2.

“County” means the County of Sacramento.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Effective Tax Rate Evaluation” means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Minimum Facilities Revenue” means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA2 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

“Exempt Property” means all Assessors’ Parcels that are exempt from the Special Tax pursuant to Section F. Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA2, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No.

23 IA2, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA2, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA2 for any other administrative purposes, including, but not limited to, attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

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

“Facilities Special Tax Escalation Factor” means two percent (2%) annually.

“Facilities Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA2 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA2 Administrator pursuant to the Indenture.

“Facilities Special Tax Term” means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA2.

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

“Indenture” means the 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.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA2 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor’s Parcel shall be classified as Non-Residential Property.

“MMD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Non-Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

“Open Space Property” means property within the boundaries of CFD No. 23 IA2 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Outstanding Bonds” means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

“Pay as You Go Costs” means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA2.

“Permit Ready Multi-Family/Non-Residential Property” means an Assessor’s Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor’s Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor’s Parcel as Permit Ready Multi-Family/Non-Residential Property.

“Planned Development” means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA2, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA2.

“Price Point Study” means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

“Property Owner Association Property” means any property within the boundaries of CFD No. 23 IA2, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA2.

“Public Property” means any property within the boundaries of CFD No. 23 IA2, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is

designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA2 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA2, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA2 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA2 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the

Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA2 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA2 that are not exempt from the CFD No. 23 IA2 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA2 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA2 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor’s Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the

revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IA2, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IA2.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor’s Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property

subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IA2 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA2 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 23 IA2 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA2.

Using the definitions and procedures described herein, the CFD No. 23 IA2 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IA2 Facilities Special Tax levied against any Assessor’s Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IA2 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor’s Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

F.1. The CFD No. 23 IA2 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

F.2. The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until

the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

F.3. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section F.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

G. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 23 IA2, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 23 IA2 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

H. INTERPRETATIONS

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

I. REVIEW/APEALS

The CFD No. 23 IA2 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA2 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 may file a written appeal of the Special Tax with the CFD No. 23 IA2 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA2 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA2 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA2 Administrator's decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA2 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA2, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor's Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA2 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA2 Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of

redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA2 Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IA2, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities

Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section K.1 above

A = the Administrative Fees and Expenses calculated according to Section K.1 above

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IA2 Administrator of (i) such owner's intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA2 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 23 IA2 Administrator shall indicate in the records of CFD No. 23 IA2 that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 - F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Developed Property:				
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$200	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	200	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	200	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	200	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	200	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	200	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	103	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	103	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	103	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	103	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	103	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	103	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	500	Acre
MHD Multi-Family Attached Property	Not Applicable	11,700	1,000	Acre
Non-Residential Property	Not Applicable	11,700	1,000	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Small Lot Final Map Property:				
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$200	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	103	Residential Lot
Permit Ready Multi-Family/Non-Residential Property				
	Not Applicable	\$11,700	\$1,000	Acre
Large Lot Property				
	Not Applicable	\$29,000	\$1,000	Acre
Undeveloped Property				
	Not Applicable	\$29,000	\$1,000	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	0	\$2,900	\$0
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	340	2,900	986,000
MMD Multi-Family Attached Property	0.0	30,000	0
MHD Multi-Family Attached Property	0.0	11,700	0
Non-Residential Property	5.1	11,700	59,670
Total Minimum Facilities Revenue			\$1,045,670

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$ _____	Acre
Large Lot Property	Not Applicable	\$ _____	Acre
Undeveloped Property	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

EXHIBIT D-3

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23, IMPROVEMENT AREA NO. 3
(FOLSOM RANCH)**

[ATTACH]

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 3**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 3 (CFD No. 23 IA3) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA3 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA3, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor’s Parcel is equal to the Acreage of such parcel 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.

“Active-Adult Property” means an Assessor’s Parcel of Residential Property which has a restriction recorded against title of the Assessor’s Parcel that limits occupancy of the Residential Unit on the Assessor’s Parcel to residents above a certain age. The Maximum Services Special Tax Rate for Active-Adult Property shall be assigned in accordance with Attachment A of this Rate and Method of Apportionment. There are no Maximum Facilities Special Tax Rate or Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate adjustments for Assessor’s Parcels classified as Active-Adult Property.

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

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

“Authorized Services” means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA3.

“Bond Year” means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA3 under the Act.

"CFD No. 23 IA3 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"CFD No. 23 IA3" means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 3.

"City" means the City of Folsom.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 23 IA3.

"County" means the County of Sacramento.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

"Effective Tax Rate Evaluation" means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax" means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate" means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Effective Tax Rate Evaluation Minimum Facilities Revenue" means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA3 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

"Exempt Property" means all Assessors' Parcels that are exempt from the Special Tax pursuant to Section F. Assessor's Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA3, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No. 23 IA3, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA3, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA3 for any other administrative purposes, including, but not limited to, attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

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

“Facilities Special Tax Escalation Factor” means two percent (2%) annually.

“Facilities Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA3 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA3 Administrator pursuant to the Indenture.

“Facilities Special Tax Term” means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA3.

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

“Indenture” means the 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.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as

Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA3 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall

be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor's Parcel shall be classified as Non-Residential Property.

"MMD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Non-Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

"Open Space Property" means property within the boundaries of CFD No. 23 IA3 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay as You Go Costs" means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA3.

"Permit Ready Multi-Family/Non-Residential Property" means an Assessor's Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor's Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor's Parcel as Permit Ready Multi-Family/Non-Residential Property.

"Planned Development" means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA3, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA3.

"Price Point Study" means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

"Property Owner Association Property" means any property within the boundaries of CFD No. 23 IA3, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA3.

“Public Property” means any property within the boundaries of CFD No. 23 IA3, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA3 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA3, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA3 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to

exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA3 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA3 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan

pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA3 that are not exempt from the CFD No. 23 IA3 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA3 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA3 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor’s Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map

Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IA3, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IA3.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor’s Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate

Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IA3 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The

Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA3 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor’s Parcel of Taxable Property within CFD No. 23 IA3 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA3.

Using the definitions and procedures described herein, the CFD No. 23 IA3 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IA3 Facilities Special Tax levied against any Assessor’s Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IA3 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor’s Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

- F.1.** The CFD No. 23 IA3 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

- F.2.** The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor’s Parcel of Public Property, such as a school site, is relocated to an Assessor’s Parcel of Taxable Property, in which case the Assessor’s Parcel of previously Public Property becomes Taxable Property and the Assessor’s Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor’s Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor’s Parcels involved in the transfer and the City Council.

- F.3.** If the use of an Assessor’s Parcel changes so that such Assessor’s Parcel is no longer eligible to be classified as one of the uses set forth in Section F.1 above that would make such Assessor’s Parcel eligible to continue to be classified as Exempt Property, such Assessor’s Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

G. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 23 IA3, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor’s Parcel to another Assessor’s Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor’s Parcel(s) to another Assessor’s Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor’s Parcel to another Assessor’s Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City’s Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD

No. 23 IA3 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

H. INTERPRETATIONS

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

I. REVIEW/APPEALS

The CFD No. 23 IA3 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA3 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 may file a written appeal of the Special Tax with the CFD No. 23 IA3 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA3 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA3 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA3 Administrator's decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA3 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA3, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually

foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor's Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA3 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA3 Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA3 Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IA3, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section K.1 above

A = the Administrative Fees and Expenses calculated according to Section K.1 above

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IA3 Administrator of (i) such owner's intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA3 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 23 IA3 Administrator shall indicate in the records of CFD No. 23 IA3 that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 - F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 3
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	2020-2021 Maximum Services Special Tax Rate: Active-Adult Property ⁽²⁾⁽³⁾	Taxed Per
Developed Property:					
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$175	\$100	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	175	100	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	175	100	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	175	100	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	175	100	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	175	100	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	125	40	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	125	40	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	125	40	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	125	40	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	125	40	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	125	40	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	500	500	Acre
MHD Multi-Family Attached Property	Not Applicable	11,700	1,000	1,000	Acre
Non-Residential Property	Not Applicable	11,700	1,000	1,000	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 3
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate⁽¹⁾	2020-2021 Maximum Services Special Tax Rate⁽²⁾	2020-2021 Maximum Services Special Tax Rate: Active-Adult Property⁽²⁾⁽³⁾	Taxed Per
Small Lot Final Map Property:					
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$175	\$100	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	125	40	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$11,700	\$1,000	\$1,000	Acre
Large Lot Property	Not Applicable	\$18,000	\$1,000	\$1,000	Acre
Undeveloped Property	Not Applicable	\$18,000	\$1,000	\$1,000	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.
- (3) Taxable Property designated as Active-Adult Property shall be assigned a separate Maximum Services Special Tax Rate.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 3
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	1,068	\$2,900	\$3,097,200
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	157	2,900	455,300
MMD Multi-Family Attached Property	0.0	30,000	0
MHD Multi-Family Attached Property	0.0	11,700	0
Non-Residential Property	0.0	11,700	0
Total Minimum Facilities Revenue			\$3,552,500

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 3
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ^{(1)/(2)}	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 3
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property			
	Not Applicable	\$ _____	Acre
Large Lot Property			
	Not Applicable	\$ _____	Acre
Undeveloped Property			
	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 3
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor’s Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

EXHIBIT D-4

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23, IMPROVEMENT AREA NO. 4
(FOLSOM RANCH)**

[ATTACH]

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 4**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 4 (CFD No. 23 IA4) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA4 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA4, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel 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.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA4.

"Bond Year" means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA4 under the Act.

"CFD No. 23 IA4 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 23 IA4” means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 4.

“City” means the City of Folsom.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 23 IA4.

“County” means the County of Sacramento.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Effective Tax Rate Evaluation” means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Minimum Facilities Revenue” means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA4 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

“Exempt Property” means all Assessors’ Parcels that are exempt from the Special Tax pursuant to Section F. Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA4, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No.

23 IA4, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA4, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA4 for any other administrative purposes, including, but not limited to, attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

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

“Facilities Special Tax Escalation Factor” means two percent (2%) annually.

“Facilities Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA4 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA4 Administrator pursuant to the Indenture.

“Facilities Special Tax Term” means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA4.

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

“Indenture” means the 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.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA4 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor’s Parcel shall be classified as Non-Residential Property.

“MMD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Non-Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

“Open Space Property” means property within the boundaries of CFD No. 23 IA4 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Outstanding Bonds” means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

“Pay as You Go Costs” means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA4.

“Permit Ready Multi-Family/Non-Residential Property” means an Assessor’s Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor’s Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor’s Parcel as Permit Ready Multi-Family/Non-Residential Property.

“Planned Development” means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA4, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA4.

“Price Point Study” means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

“Property Owner Association Property” means any property within the boundaries of CFD No. 23 IA4, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA4.

“Public Property” means any property within the boundaries of CFD No. 23 IA4, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is

designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA4 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA4, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA4 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA4 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the

Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA4 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA4 that are not exempt from the CFD No. 23 IA4 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA4 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA4 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor’s Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the

revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IA4, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IA4.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor's Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property

subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IA4 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA4 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 23 IA4 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA4.

Using the definitions and procedures described herein, the CFD No. 23 IA4 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IA4 Facilities Special Tax levied against any Assessor’s Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IA4 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor’s Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

F.1. The CFD No. 23 IA4 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

F.2. The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until

the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

F.3. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section F.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

G. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 23 IA4, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 23 IA4 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

H. INTERPRETATIONS

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

I. REVIEW/APEALS

The CFD No. 23 IA4 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA4 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 may file a written appeal of the Special Tax with the CFD No. 23 IA4 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA4 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA4 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA4 Administrator’s decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA4 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years’ Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA4, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor’s Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA4 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA4 Administrator shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of

redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA4 Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor’s Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor’s Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor’s Parcel’s annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IA4, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor’s Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the “Prepayment Quotient”).

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities

Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section K.1 above

A = the Administrative Fees and Expenses calculated according to Section K.1 above

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IA4 Administrator of (i) such owner's intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA4 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 23 IA4 Administrator shall indicate in the records of CFD No. 23 IA4 that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 - F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Developed Property:				
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$205	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	205	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	205	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	205	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	205	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	205	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	140	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	140	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	140	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	140	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	140	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	140	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	500	Acre
MHD Multi-Family Attached Property	Not Applicable	11,700	1,000	Acre
Non-Residential Property	Not Applicable	11,700	1,000	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Small Lot Final Map Property:				
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$205	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	140	Residential Lot
Permit Ready Multi-Family/Non-Residential Property				
	Not Applicable	\$11,700	\$1,000	Acre
Large Lot Property				
	Not Applicable	\$20,000	\$1,100	Acre
Undeveloped Property				
	Not Applicable	\$20,000	\$1,100	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	366	\$2,900	\$1,061,400
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	251	2,900	727,900
MMD Multi-Family Attached Property	0.0	30,000	0
MHD Multi-Family Attached Property	0.0	11,700	0
Non-Residential Property	0.0	11,700	0
Total Minimum Facilities Revenue			\$1,789,300

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$ _____	Acre
Large Lot Property	Not Applicable	\$ _____	Acre
Undeveloped Property	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

EXHIBIT D-5

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23, IMPROVEMENT AREA NO. 5
(FOLSOM RANCH)**

[ATTACH]

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 5**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 5 (CFD No. 23 IA5) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA5 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA5, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor’s Parcel is equal to the Acreage of such parcel 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.

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

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

“Authorized Services” means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA5.

“Bond Year” means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

“Bonds” means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA5 under the Act.

“CFD No. 23 IA5 Administrator” means the City’s Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 23 IA5” means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 5.

“City” means the City of Folsom.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 23 IA5.

“County” means the County of Sacramento.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Effective Tax Rate Evaluation” means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Minimum Facilities Revenue” means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA5 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

“Exempt Property” means all Assessors’ Parcels that are exempt from the Special Tax pursuant to Section F. Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA5, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No.

23 IA5, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA5, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA5 for any other administrative purposes, including, but not limited to, attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

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

“Facilities Special Tax Escalation Factor” means two percent (2%) annually.

“Facilities Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA5 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA5 Administrator pursuant to the Indenture.

“Facilities Special Tax Term” means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA5.

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

“Indenture” means the 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.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA5 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor’s Parcel shall be classified as Non-Residential Property.

“MMD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Non-Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

“Open Space Property” means property within the boundaries of CFD No. 23 IA5 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Outstanding Bonds” means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

“Pay as You Go Costs” means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA5.

“Permit Ready Multi-Family/Non-Residential Property” means an Assessor’s Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor’s Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor’s Parcel as Permit Ready Multi-Family/Non-Residential Property.

“Planned Development” means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA5, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA5.

“Price Point Study” means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

“Property Owner Association Property” means any property within the boundaries of CFD No. 23 IA5, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA5.

“Public Property” means any property within the boundaries of CFD No. 23 IA5, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is

designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA5 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA5, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA5 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA5 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the

Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA5 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA5 that are not exempt from the CFD No. 23 IA5 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA5 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA5 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor’s Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the

revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IA5, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IA5.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor’s Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property

subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IA5 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA5 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 23 IA5 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA5.

Using the definitions and procedures described herein, the CFD No. 23 IAS Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IAS Facilities Special Tax levied against any Assessor’s Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IAS Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor’s Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

F.1. The CFD No. 23 IAS Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

F.2. The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until

the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

F.3. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section F.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

G. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 23 IA5, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 23 IA5 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

H. INTERPRETATIONS

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

I. REVIEW/APEALS

The CFD No. 23 IA5 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA5 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 may file a written appeal of the Special Tax with the CFD No. 23 IA5 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA5 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA5 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA5 Administrator’s decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA5 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years’ Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA5, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor’s Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA5 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA5 Administrator shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of

redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA5 Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor’s Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor’s Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor’s Parcel’s annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IA5, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor’s Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the “Prepayment Quotient”).

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities

Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section K.1 above

A = the Administrative Fees and Expenses calculated according to Section K.1 above

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IA5 Administrator of (i) such owner's intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA5 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 23 IA5 Administrator shall indicate in the records of CFD No. 23 IA5 that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 - F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Developed Property:				
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$165	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	165	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	165	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	165	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	165	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	165	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	85	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	85	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	85	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	500	Acre
MHD Multi-Family Attached Property	Not Applicable	11,700	1,000	Acre
Non-Residential Property	Not Applicable	11,700	1,000	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Small Lot Final Map Property:				
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$165	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	85	Residential Lot
Permit Ready Multi-Family/Non-Residential Property				
	Not Applicable	\$11,700	\$1,000	Acre
Large Lot Property				
	Not Applicable	\$20,000	\$1,000	Acre
Undeveloped Property				
	Not Applicable	\$20,000	\$1,000	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	278	\$2,900	\$806,200
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	401	2,900	1,162,900
MMD Multi-Family Attached Property	9.7	30,000	291,000
MHD Multi-Family Attached Property	17.8	11,700	208,260
Non-Residential Property	23.5	11,700	274,950
Total Minimum Facilities Revenue			\$2,743,310

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor’s Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$ _____	Acre
Large Lot Property	Not Applicable	\$ _____	Acre
Undeveloped Property	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

EXHIBIT D-6

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23, IMPROVEMENT AREA NO. 6
(FOLSOM RANCH)**

[ATTACH]

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 6**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 6 (CFD No. 23 IA6) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA6 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA6, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel 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.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA6.

"Bond Year" means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA6 under the Act.

"CFD No. 23 IA6 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 23 IA6” means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 6.

“City” means the City of Folsom.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 23 IA6.

“County” means the County of Sacramento.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Effective Tax Rate Evaluation” means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Minimum Facilities Revenue” means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA6 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

“Exempt Property” means all Assessors’ Parcels that are exempt from the Special Tax pursuant to Section F. Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA6, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No.

23 IA6, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA6, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA6 for any other administrative purposes, including, but not limited to, attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

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

“Facilities Special Tax Escalation Factor” means two percent (2%) annually.

“Facilities Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA6 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA6 Administrator pursuant to the Indenture.

“Facilities Special Tax Term” means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA6.

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

“Indenture” means the 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.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA6 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor’s Parcel shall be classified as Non-Residential Property.

“MMD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Non-Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

“Open Space Property” means property within the boundaries of CFD No. 23 IA6 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Outstanding Bonds” means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

“Pay as You Go Costs” means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA6.

“Permit Ready Multi-Family/Non-Residential Property” means an Assessor’s Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor’s Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor’s Parcel as Permit Ready Multi-Family/Non-Residential Property.

“Planned Development” means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA6, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA6.

“Price Point Study” means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

“Property Owner Association Property” means any property within the boundaries of CFD No. 23 IA6, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA6.

“Public Property” means any property within the boundaries of CFD No. 23 IA6, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is

designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA6 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA6, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA6 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA6 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the

Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA6 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA6 that are not exempt from the CFD No. 23 IA6 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA6 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA6 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor’s Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the

revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IA6, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IA6.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor’s Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property

subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IA6 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA6 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor’s Parcel of Taxable Property within CFD No. 23 IA6 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA6.

Using the definitions and procedures described herein, the CFD No. 23 IA6 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IA6 Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IA6 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

F.1. The CFD No. 23 IA6 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor's Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

F.2. The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until

the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

F.3. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section F.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

G. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 23 IA6, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 23 IA6 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

H. INTERPRETATIONS

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

I. REVIEW/APEALS

The CFD No. 23 IA6 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA6 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 may file a written appeal of the Special Tax with the CFD No. 23 IA6 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA6 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA6 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA6 Administrator’s decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA6 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years’ Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA6, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor’s Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA6 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA6 Administrator shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of

redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA6 Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor’s Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor’s Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor’s Parcel’s annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IA6, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor’s Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the “Prepayment Quotient”).

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities

Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section K.1 above

A = the Administrative Fees and Expenses calculated according to Section K.1 above

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IA6 Administrator of (i) such owner's intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA6 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 23 IA6 Administrator shall indicate in the records of CFD No. 23 IA6 that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 - F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Developed Property:				
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$175	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	175	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	175	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	175	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	175	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	175	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	85	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	85	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	85	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	300	Acre
MHD Multi-Family Attached Property	Not Applicable	30,000	300	Acre
Non-Residential Property	Not Applicable	30,000	0	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Small Lot Final Map Property:				
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$175	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	85	Residential Lot
Permit Ready Multi-Family/Non-Residential Property				
	Not Applicable	\$11,700	\$300 ⁽³⁾	Acre
Large Lot Property				
	Not Applicable	\$30,000	\$500	Acre
Undeveloped Property				
	Not Applicable	\$30,000	\$500	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.
- (3) Excludes Permit Ready Multi-Family/Non-Residential Property zoned for non-residential land use.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	0	\$2,900	\$0
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	0	2,900	0
MMD Multi-Family Attached Property	9.5	30,000	285,000
MHD Multi-Family Attached Property	9.3	11,700	108,810
Non-Residential Property	11.4	11,700	133,380
Total Minimum Facilities Revenue			\$527,190

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$ _____	Acre
Large Lot Property	Not Applicable	\$ _____	Acre
Undeveloped Property	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor’s Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

EXHIBIT E

**NOTICE OF PUBLIC HEARING REGARDING THE FORMATION OF THE
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH), DESIGNATION OF IMPROVEMENT AREAS WITHIN THE
DISTRICT
AND LEVYING OF SPECIAL TAXES THEREIN**

NOTICE IS HEREBY GIVEN that on Tuesday, April 14, 2020, the City of Folsom (the “City”) duly adopted its Resolution No. 10414 (the “Resolution of Intention”) wherein it declared its intention to form a community facilities district to be known as “City of Folsom Community Facilities District No. 23 (Folsom Ranch)” (“CFD 23” or the “CFD”), to designate six improvement areas within CFD 23 (each, an “Improvement Area”) to be known as “City of Folsom Community Facilities District No. 23, Improvement Area No. 1 (Folsom Ranch)” (“Improvement Area No. 1”), “City of Folsom Community Facilities District No. 23, Improvement Area No. 2 (Folsom Ranch)” (“Improvement Area No. 2”), “City of Folsom Community Facilities District No. 23, Improvement Area No. 3 (Folsom Ranch)” (“Improvement Area No. 3”), “City of Folsom Community Facilities District No. 23, Improvement Area No. 4 (Folsom Ranch)” (“Improvement Area No. 4”), “City of Folsom Community Facilities District No. 23, Improvement Area No. 5 (Folsom Ranch)” (“Improvement Area No. 5”), and “City of Folsom Community Facilities District No. 23, Improvement Area No. 6 (Folsom Ranch)” (“Improvement Area No. 6”), and to levy a special tax within CFD 23 and to pay the costs of certain public facilities, including, transportation, water system, recycled water, drainage system, wastewater system, park, parkway and open space, and infrastructure required by the specific plan infrastructure fee; and other incidental expenses and bond issuance costs (collectively, the “Facilities”) and of certain services, including reconstruction and/or rehabilitation, operation, maintenance, repair and replacement of open space improvements, landscape corridors and paseos, streetlights, medians, neighborhood parks, storm water management, and water quality controls, and certain costs related to the maintenance of the services described above (collectively, the “Services”), all as more specifically described in the Resolution of Intention, and its Resolution No. 10415 (the “Resolution Declaring the Necessity for Incurring Bonded Indebtedness”) wherein it declared its intention to incur bonded indebtedness in a principal amount not to exceed \$65,000,000 in Improvement Area No. 1, \$29,000,000 in Improvement Area No. 2 \$105,000,000 in Improvement Area No. 3, \$55,000,000 in Improvement Area No. 4, \$97,000,000 in Improvement Area No. 5, and \$15,000,000 in Improvement Area No. 6 to finance the acquisition and construction of the Facilities within CFD 23 under and pursuant to the terms and provisions of the “Mello Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”).

This Notice contains a brief summary of the Proposal (as described below), but you are referred to the City’s Resolution of Intention and its Resolution Declaring the Necessity for Incurring Bonded Indebtedness on file with the City Clerk for the definitive description of the Proposal, including a description of the Facilities and the Services, a list of incidental expenses and bond issuance costs and the rates and methods of apportionment of the special tax.

The Proposal consists of the authorization of (1) a special tax within CFD 23 and each Improvement Area therein, (2) the issuance of bonds for each Improvement Area to finance the

Facilities and (3) the annual appropriations limit of CFD 23 to be set at \$15,900,000 for the 2020-21 fiscal year in Improvement Area No. 1, \$7,400,000 for the 2020-21 fiscal year in Improvement Area No. 2, \$25,200,000 for the 2020-21 fiscal year in Improvement Area No. 3, \$13,300,000 for the 2020-21 fiscal year in Improvement Area No. 4, \$21,600,000 for the 2020-21 fiscal year in Improvement Area No. 5 and \$3,500,000 for the 2020-21 fiscal year in Improvement Area No. 6.

In order to confer the authority upon the City to levy the special tax and to issue the bonds, a public hearing must be held on the Proposal, the City must determine to form CFD 23, designate the Improvement Areas, and, finally, the qualified electors within each Improvement Area must approve the Proposal by a two-thirds vote. Where a proposed community facilities district is uninhabited or inhabited by fewer than 12 registered voters (there are no registered voters inhabiting CFD 23) the qualified electors are, pursuant to the Act, the owners of property within the proposed community facilities district.

THIS IS THE NOTICE OF THE PUBLIC HEARING.

The public hearing will be held during the City Council meeting on Tuesday, May 26, 2020, at 6:30 p.m., or as soon thereafter as the City Council may reach the matter, at the City Hall, 50 Natoma Street, Folsom, CA, 95630.

At the hearing, oral and written testimony of all interested persons or potential special taxpayers for or against the formation of CFD 23, the extent of CFD 23, the designation of the Improvement Areas within CFD 23, the furnishing of the Facilities, the authorization to levy a special tax within CFD 23 and the authorization to issue the bonds will be heard. Written protests against the formation of CFD 23 or the designation of the Improvement Areas delivered to the City Clerk at or before the time set for the hearing by either registered voters residing within, or the owners of property within, CFD 23 will be counted toward a possible majority protest against such formation and designation. Written protests by a majority of the registered voters residing within CFD 23 (provided they number at least 6) or by the owners of a majority of the land area within CFD 23 that is or will be subject to the related special tax, if not withdrawn prior to the close of the hearing so as to reduce the value of the protests to less than a majority, will require the formation of CFD 23 and the levy of the related specified special tax to be eliminated from immediate consideration and prevent their being included in a subsequent proceedings for at least one year. If such protests constitute a majority protest and are directed only against the furnishing of a specified type or types of the Facilities or Services or against levying a specified special tax, only those types of Facilities, Services or the specified special tax will be eliminated from the proceedings.

Questions should be directed to Stacey Tamagni, Finance Director, telephone (916) 461-6080.

Dated: _____, 2020.

City Clerk of the
CITY OF FOLSOM

ATTACHMENT 2

RESOLUTION NO. 10415

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM
DECLARING THE NECESSITY FOR INCURRING BONDED
INDEBTEDNESS IN AND FOR THE CITY OF FOLSOM COMMUNITY
FACILITIES DISTRICT NO. 23 (FOLSOM RANCH) AND IN AND FOR
EACH IMPROVEMENT AREA DESIGNATED THEREIN AND
CALLING FOR A PUBLIC HEARING THEREON**

WHEREAS, the City Council (the “City Council”) of the City of Folsom declares and finds that in order to finance the acquisition and construction of public improvements described in Resolution No. 10414 (the “Resolution of Intention”), it is necessary to incur bonded indebtedness; and

WHEREAS, the purpose for which the proposed debt is to be incurred is to provide the funds necessary to pay for the cost of said public improvements;

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

Section 1. The City Council finds and determines that the foregoing recitals are true and correct.

Section 2. The maximum amount of the proposed bonded indebtedness of the City of Folsom Community Facilities District No. 23, Improvement Area No. 1 (Folsom Ranch) is \$76,000,000, City of Folsom Community Facilities District No. 23, Improvement Area No. 2 (Folsom Ranch) is \$36,000,000, City of Folsom Community Facilities District No. 23, Improvement Area No. 3 (Folsom Ranch) is \$124,000,000, City of Folsom Community Facilities District No. 23, Improvement Area No. 4 (Folsom Ranch) is \$64,000,000, City of Folsom Community Facilities District No. 23, Improvement Area No. 5 (Folsom Ranch) is \$105,000,000, and City of Folsom Community Facilities District No. 23, Improvement Area No. 6 (Folsom Ranch) is \$17,000,000.

Section 3. The City Council hereby sets Tuesday, May 26, 2020, 6:30 p.m., or as soon thereafter as the City Council may reach the matter, at the City Hall, 50 Natoma Street, Folsom, CA, 95630, as the time and place for a hearing by the City Council on the proposed bond issue. At that time and place any persons interested, including any persons owning property in the proposed community facilities district, will be heard.

Section 4. It is the intention of this City Council that any such bonds issued shall be made callable in accordance with the terms of the Mello-Roos Community Facilities Act of 1982.

Section 5. The City Clerk of the City of Folsom shall have a copy of the Notice of Public Hearing published pursuant to the Resolution of Intention.

Section 6. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 14th day of April, 2020, by the following roll-call vote:

AYES: Council Member(s):

NOES: Council Member(s):

ABSENT: Council Member(s):

ABSTAIN: Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

ATTACHMENT 3

**PETITION
TO CREATE A
COMMUNITY FACILITIES DISTRICT
(Including Landowner Waiver and Appointment of Representative)**

City Council
City of Folsom
50 Natoma Street
Folsom, California

Members of the City Council:

This is a petition to create a community facilities district, a waiver with respect to certain procedural matters, under the Mello-Roos Community Facilities Act of 1982 (the “Act”) and an appointment of representative to act for the property owner in voting and casting ballots under the Act, and the undersigned hereby states as follows:

1. Landowner. This Petition is submitted by the undersigned (the “Landowners”) as the owners of 100% of the area of land proposed to be included within the community facilities district and not proposed to be exempt from the special taxes proposed to be levied in the community facilities district. The individual owners are identified on Exhibit A attached hereto and made a part hereof.

2. Proceedings Requested. The Landowners hereby request that the City Council (the “City Council”) of the City of Folsom (the “City”) institute proceedings pursuant to the Act to establish a community facilities district to be named “City of Folsom Community Facilities District No. 23 (Folsom Ranch)” (the “Community Facilities District”), to designate separate improvement areas therein as specified in the below referenced boundary map, to levy special taxes in the Community Facilities District and to authorize special tax bonds for each improvement area in an aggregate amount not to exceed \$422,000,000.

3. Boundaries of Community Facilities District. The boundaries of the territory proposed for inclusion in the Community Facilities District and designation into each improvement area are described in Exhibit B attached hereto and made a part hereof.

4. Facilities and Services. The facilities to be financed by the Community Facilities District are described in Exhibit C attached hereto and made a part hereof. The services to be financed by the Community Facilities District are described in Exhibit D attached hereto and made a part hereof.

5. Rate and Method of Apportionment. The proposed Rate and Method of Apportionment of Special Tax for each improvement area is described in Exhibit E attached hereto and made a part hereof.

6. Elections. The Landowners hereby request that the special elections to be held under the Act to authorize the special taxes in the Community Facilities District, to designate the improvement areas therein, to authorize the issuance of the bonds for the Community Facilities District and to establish an appropriations limit for the Community Facilities District be consolidated into a single election and that the elections be conducted by the City and its officials using mailed or hand-delivered ballots and that such ballots be opened and canvassed and the results certified at the same meeting of the City Council as the public hearings on the Community Facilities District under the Act, or as soon thereafter as possible.

7. Waiver. To expedite the completion of the proceedings for the Community Facilities District, the Landowners hereby waive all notices of hearings (other than published notices required under the Act) and all notices of election, all applicable waiting periods under the Act for the elections, all ballot analysis and arguments for the elections and all requirements as to the form of the ballots.

Without limiting the generality of the foregoing paragraph, each Landowner hereby specifically certifies, waives, agrees, states and consents as follows:

(a) such Landowner certifies that, as of the date of this Petition, it is the entity that would be legally entitled and authorized to cast the ballots attributable to the parcels listed on Exhibit A hereto in the above-referenced elections.

(b) such Landowner waives any and all minimum time periods relative to the elections pursuant to Government Code Section 53326(a);

(c) such Landowner waives the preparation and distribution of an impartial analysis of the ballot measures, as well as arguments in favor and against, under the authority of Government Code Section 53327(b);

(d) such Landowner waives the requirement to publish notice of the elections under Government Code Section 53352;

(e) such Landowner waives the requirements regarding the time to mail ballots to the qualified electors under Elections Code Section 4101, and agrees that either mailed service or personal service of the ballots will be sufficient;

(f) such Landowner waives the requirements regarding identification envelopes for the return of mailed ballots contained in Government Code Section 53327.5;

(g) such Landowner waives any and all defects in notice or procedure in the conduct of the elections, whether known or unknown (except the right to vote and to have the ballots fairly counted), and states that the elections are being expedited, pursuant to this Petition, at the particular instance and request of the Landowner; and

(h) such Landowner consents to the levy and collection of the special tax on all parcels listed on Exhibit A hereto and waives any and all rights to challenge the inclusion

of any of such parcels in the Community Facilities District and any and all other proceedings related thereto.

Each Landowner hereby represents that it has obtained such information with respect to the waivers contained herein as it has deemed necessary or appropriate. Such Landowner hereby confirms and represents that it is fully informed with respect to such waivers and fully understands the consequences thereof.

8. Representations and Warranties; No Registered Voters. Each Landowner hereby represents and warrants to the City that (a) the Landowner is, as of the date of this Petition, the legal owner of the fee interest in 100% of the property identified on Exhibit A as owned by it, proposed to be included within the Community Facilities District and not proposed to be exempt from the special taxes and that no other person or entity is the legal owner of all or any portion of the fee interest in any of such property, (b) the Landowner has the power and authority to execute and deliver this Petition, and has taken all action necessary to cause this Petition to be executed and delivered on its behalf, and this Petition has been duly and validly executed and delivered on behalf of the Landowner. There are no registered voters residing within the boundaries of the territory proposed for inclusion in the Community Facilities District and there have been none during the 90-day period preceding the date of this Petition.

9. Appointment of Representative. The Landowners hereby authorize the persons listed on Exhibit A hereto to act in all respects for the parcels listed on Exhibit A and in casting the votes and executing the ballots assigned to the parcels listed thereon for the elections described in paragraph 6 of this Petition.

10. Mailing Address. The address of the Landowners for receiving notices is specified in Exhibit A.

[Signature Pages Follow]

This Petition is dated as of March 30, 2020

Folsom Real Estate South, LLC,
a Delaware limited liability company

By: HBT Mangini, LLC,
a Delaware limited liability company
Its: Managing Member

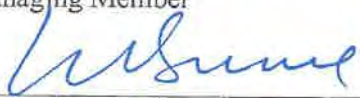
By: 

William B. Bunce

Its: Manager

West Scott Road, LLC,
a Delaware limited liability company

By: HBT Mangini, LLC,
a Delaware limited liability company
Its: Managing Member

By: 

William B. Bunce

Its: Manager

Easton Valley Holdings, LLC,
a Delaware limited liability company

By: HBT Carpenter, LLC,
a Delaware limited liability company
Its: Managing Member


By: 

William B. Bunce

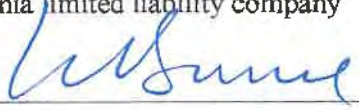
Its: Manager

Oak Avenue Holdings, LLC,
a Delaware limited liability company

By: HBT Hillsborough, LLC,
a Delaware limited liability company
Its: Managing Member


By: 
William B. Bunce
Its: Manager

HBT Arcadian, LLC,
a California limited liability company

By: 
William B. Bunce, Manager

East Carpenter Improvement Company, LLC,
a California limited liability company

By: HBT ECIC, LLC,
a California limited liability company
Its: Managing Member

By: 
Name: William B. Bunce
Its: Manager

KB HOME SACRAMENTO INC.,
a California corporation

By: _____
Name: Leo Pantoja
Title: Vice President Planning

FR 68 LOTS, LLC,
a California limited liability company

By: SIGNATURE HOMES, INC.,
a California corporation
Its: Managing Member

By: _____
Name: Gary L. Galindo
Its: President

KB HOME SACRAMENTO INC.,
a California corporation

By: _____
Name: _____
Title: _____

FR 68 LOTS, LLC,
a California limited liability company

By: **SIGNATURE HOMES, INC.,**
a California corporation
Its: **Managing Member**

By: 
Name: Gary L. Galindo
Its: **President**

EXHIBIT A

Proposed Improvement Area #1

APN	Owner	Address	Authorized Representative
072-3670-001-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-002-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-003-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-023-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-004-0000	KB Home Sacramento Inc.	3005 Douglas Blvd., Suite 250, Roseville, CA 95661	Adam Hieb
072-3670-005-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-006-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-007-0000	FR 68 Lots, LLC	4670 Willow Road, Suite 200, Pleasanton, CA 94588	Gary Galindo
072-3670-008-0000	KB Home Sacramento Inc.	3005 Douglas Blvd., Suite 250, Roseville, CA 95661	Adam Hieb
072-3670-010-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-011-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-012-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
<u>Other/Non-taxable Parcels</u>			
072-3670-013-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-014-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-015-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-016-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-017-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce

Proposed Improvement Area #1

APN	Owner	Address	Authorized Representative
072-3670-018-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-019-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-020-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-021-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3670-022-0000	East Carpenter Improvement Company, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce

Proposed Improvement Area #2

APN	Owner	Address	Authorized Representative
072-3370-036-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3390-014-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3390-003-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3370-007-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-0070-039-0000	HBT Arcadian, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
<u>Other/Non-taxable Parcels</u>			
072-3370-035-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3390-004-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3390-013-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3390-006-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce

Proposed Improvement Area #3

APN	Owner	Address	Authorized Representative
072-0060-101-0000	West Scott Road, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-0060-079-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-0060-103-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-0060-099-0000	Oak Avenue Holdings, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
<u>Other/Non-taxable Parcels</u>			
None			

Proposed Improvement Area #4

APN	Owner	Address	Authorized Representative
072-0060-100-0000	West Scott Road, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-0060-077-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
<u>Other/Non-taxable Parcels</u>			
None			

Proposed Improvement Area #5

APN	Owner	Address	Authorized Representative
072-3190-031-0000	Easton Valley Holdings, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3190-033-0000	Easton Valley Holdings, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3190-034-0000	Easton Valley Holdings, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
<u>Other/Non-taxable Parcels</u>			
None			

Proposed Improvement Area #6

APN	Owner	Address	Authorized Representative
072-3380-027-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3380-004-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
<u>Other/Non-taxable Parcels</u>			
072-3380-005-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3380-024-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3380-025-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3380-006-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce
072-3380-026-0000	Folsom Real Estate South, LLC	c/o WestLand Capital Partners 4370 Town Center Blvd., Suite 100 El Dorado Hills, CA 95762	William B. Bunce

EXHIBIT B

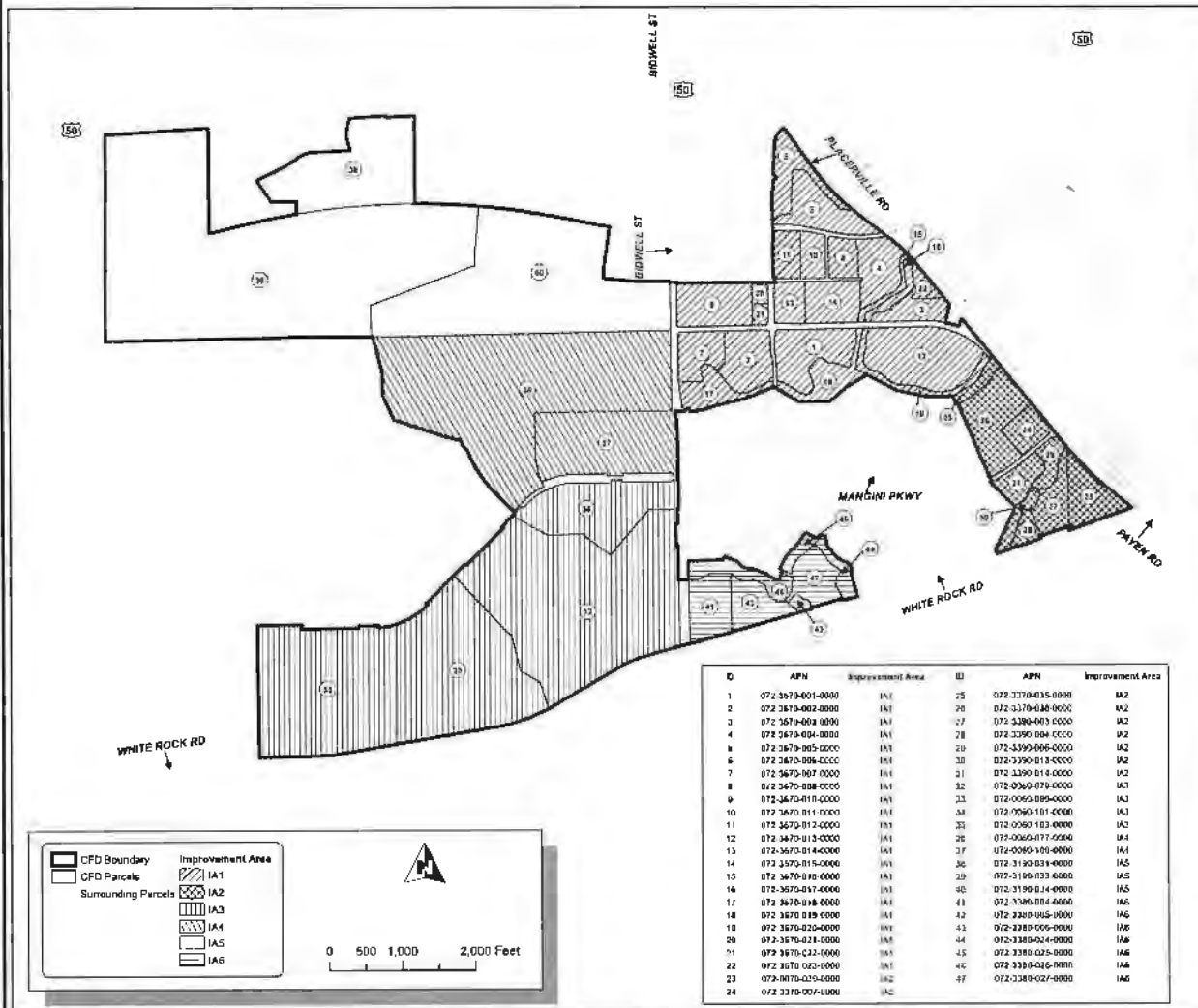
BOUNDARIES OF COMMUNITY FACILITIES DISTRICT

The boundaries of the territory which is proposed for inclusion in the Community Facilities District are depicted in the attached map entitled "Map of Boundaries City of Folsom Community Facilities District No. 23 (Folsom Ranch)."

[Boundary Map Attached]

**MAP OF PROPOSED BOUNDARIES
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)**

**CITY OF FOLSOM
COUNTY OF SACRAMENTO
STATE OF CALIFORNIA**



D	APN	Improvement Area	ID	APN	Improvement Area
1	072-3670-001-0000	IA1	25	072-3370-035-0000	IA2
2	072-3670-002-0000	IA1	26	072-3370-040-0000	IA2
3	072-3670-003-0000	IA1	27	072-3380-003-0000	IA2
4	072-3670-004-0000	IA1	28	072-3390-004-0000	IA2
5	072-3670-005-0000	IA1	29	072-3390-006-0000	IA2
6	072-3670-006-0000	IA1	30	072-3390-013-0000	IA2
7	072-3670-007-0000	IA1	31	072-3390-016-0000	IA2
8	072-3670-008-0000	IA1	32	072-0060-079-0000	IA3
9	072-3670-010-0000	IA1	33	072-0060-089-0000	IA3
10	072-3670-011-0000	IA1	34	072-0060-101-0000	IA3
11	072-3670-012-0000	IA1	35	072-0060-103-0000	IA3
12	072-3670-013-0000	IA1	36	072-0060-077-0000	IA4
13	072-3670-014-0000	IA1	37	072-0060-190-0000	IA4
14	072-3670-015-0000	IA1	38	072-3190-013-0000	IA5
15	072-3670-016-0000	IA1	39	072-3190-033-0000	IA5
16	072-3670-017-0000	IA1	40	072-3190-014-0000	IA5
17	072-3670-018-0000	IA1	41	072-3380-004-0000	IA6
18	072-3670-019-0000	IA1	42	072-3380-005-0000	IA6
19	072-3670-020-0000	IA1	43	072-3380-006-0000	IA6
20	072-3670-021-0000	IA6	44	072-3380-007-0000	IA6
21	072-3670-022-0000	IA6	45	072-3380-026-0000	IA6
22	072-3670-023-0000	IA1	46	072-3380-026-0000	IA6
23	072-3670-024-0000	IA2	47	072-3380-027-0000	IA6
24	072-3370-007-0000	IA2			

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF FOLSOM THIS _____ DAY OF _____ 20__

CITY CLERK
CITY OF FOLSOM
SACRAMENTO COUNTY, CALIFORNIA

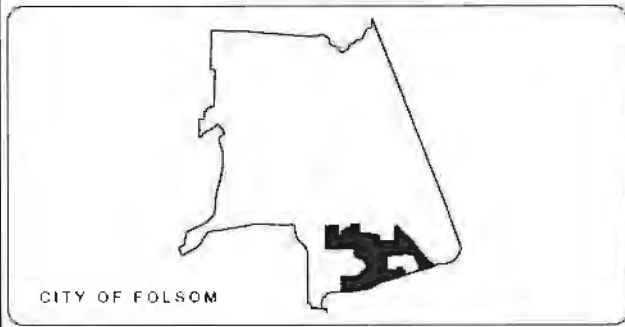
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF THE CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 23 (FOLSOM RANCH), CITY OF FOLSOM, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF FOLSOM, AT A MEETING THEREOF, HELD ON THE _____ DAY OF _____, 20__ , BY ITS RESOLUTION NO _____

CITY CLERK
CITY OF FOLSOM
SACRAMENTO COUNTY, CALIFORNIA

FILED THIS _____ DAY OF _____, 202__, AT THE HOUR OF _____ O'CLOCK _____ M, IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

COUNTY RECORDER
COUNTY OF SACRAMENTO, CALIFORNIA

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA



Source: Sacramento County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California II FIPS 0402 Feet



EXHIBIT C
FACILITIES

The Facilities to be financed by CFD 23 include facilities designed to meet the needs of development within CFD 23, whether such facilities are located within or outside the boundaries of CFD 23, and include but are not limited to the following:

Transportation Improvements

Eligible roadway improvements include, but are not limited to: acquisition of land and easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal), and decorative/enhanced pavement concrete and/or pavers; joint trenches, underground utilities and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts; signs and striping; erosion control; median and parkway landscaping and irrigation; entry monumentation; bus shelters, Bus Rapid Transit improvements including transfer stations and regional public transit improvements; masonry walls; traffic control and agency fees; and other improvements related thereto. Eligible improvements for the roads listed herein also include any and all necessary underground potable and recycled water, sanitary sewer, and storm drainage system improvements.

Authorized facilities include the following transportation improvements:

- All public roadway improvements designed to meet the needs of development within CFD No. 23, including internal subdivision streets and related underground utilities.

Water System Improvements

Authorized facilities include any and all water facilities designed to meet the needs of development of property within CFD 23. These facilities include, but may not be limited to: water storage, treatment and distribution facilities including waterlines and appurtenances, gate valves, pressure reducing stations, flow meters, fire hydrants, and other improvements related thereto such as site clearing, grading and paving; curbs and gutters; booster pump stations and power; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates, and fencing; and striping and signage.

Recycled Water System Improvements

Authorized facilities include any and all recycled water system facilities designed to meet the needs of development of property within CFD 23. These facilities include, but may not be limited to: treatment and distribution facilities including pipelines and appurtenances, gate valves, flow meters, booster pump pressurization system, and other improvements related thereto - such as site clearing, grading and paving; curbs and gutters; booster pump stations; stand-by

generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates, and fencing; and striping and signage.

Drainage System Improvements

Authorized facilities include any and all drainage and storm drain improvements designed to meet the needs of development of property within CFD 23. These facilities include, but may not be limited to: excavation and grading, pipelines and appurtenances, outfalls and water quality measures, detention/retention basins, drainage pretreatment facilities, drainage ways/channels, pump stations, landscaping and irrigation; access roads, gates, and fencing; and striping and signage and other improvements related thereto.

Wastewater System Improvements

Authorized facilities include any and all wastewater facilities designed to meet the needs of development of property within CFD 23. These facilities include, but may not be limited to, pipelines and all appurtenances thereto; manholes; tie-in to existing main lines; force mains; lift stations; upgrades to existing lift stations; odor-control facilities; and permitting related thereto; and related sewer system improvements.

Park, Parkway and Open Space Improvements

Authorized facilities include any and all improvements to parks, parkways and open space required for development of property within CFD 23. These facilities include, but may not be limited to: grading, turf, shrubs and trees, landscaping irrigation, site lighting, drainage, sanitary sewer and water service, pedestrian and bicycle trails, protective fencing (including soundwalls), pedestrian/bicycle bridges, storm drain crossings, wetland mitigation, hawk mitigation for authorized facilities herein, access gates and fencing and related open space improvements. Authorized facilities include acquisition of any and all parkland as well as open space/bike trail/public access easements required for development of property within CFD 23.

Specific Plan Infrastructure Fee Infrastructure

Authorized facilities include any and all improvements that are included in the Specific Plan Infrastructure Fee Program adopted by the City Council on September 8, 2015, including any future amendments thereto.

Specific Plan Infrastructure Fee Obligation

Subject to the provisions of the Act, authorized facilities include payment of the following SPIF obligations for all development that would be subject to SPIF obligations within the entire CFD No. 23:

- SPIF Infrastructure Fee (including the SPIF Set-Aside component)
- SPIF Public Facilities Land Equalization Fee Component
- SPIF Parkland Equalization Fee Component
- SPIF Administrative Fee.

Other Incidental Expenses and Bond Issuance Costs

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, including, but not limited to, the cost of planning and designing the facilities (including the cost of environmental evaluation, remediation and mitigation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs (including the costs of legal services) associated with the formation of the Mello-Roos CFD; issuance of bonds (if any); determination of the amount of taxes; collection of taxes; payment of taxes; costs of calculating and providing reimbursements from one-time special tax payments; or costs otherwise incurred in order to carry out the authorized purposes of the CFD; and any other expenses incidental to the formation and implementation of the CFD and to the construction, completion, inspection and acquisition of the authorized facilities.

EXHIBIT D

SERVICES

The authorized services to be funded from the levy and collection of annual special taxes include those set forth below in addition to the costs associated with collecting and administering the special taxes and annual administration of CFD No. 23. The CFD will be eligible to fund all or a portion of the costs of reconstruction and/or rehabilitation, operation, maintenance, repair and replacement, and servicing of the following items not otherwise subject to funding from the City of Folsom Community Facilities District No. 18 (Folsom Plan Area – Area-Wide Improvements and Services):

1. Open Space improvements, operations and management, monitoring, maintenance (including general maintenance, signage, City owned fence maintenance, trash and debris collection, and bike trails and their appurtenances [drainage culverts or pipes from adjacent subdivisions] within open space), creation and maintenance of fire breaks, Permits, Vandalism/Graffiti, Flood Conveyance (Vegetation/tree removals), Beaver dam removals, Outfall/drainage swale maintenance, Erosion control/bank stabilization, Native planting/replanting, Pre and post emergent, maintenance activities as required by a 404 permit and Operations and Management Plan-Conservation and Passive Recreation Open Space, dated June 9, 2017, and repair and replacement of facilities within open space areas in the Project Area.

2. The maintenance of on-site landscape corridors and paseos designed to serve land uses within the CFD, including general maintenance, masonry walls, accent lighting, water and utility costs.

3. The maintenance of streetlights, including any utility costs related thereto.

4. The maintenance of medians, entries, and entry monumentation.

5. Neighborhood park maintenance, and repair and replacement.

6. Community amenities, such as a community clubhouse.

7. Storm water management, water quality structural controls, including drainage swales constructed between storm drain facilities and receiving waters.

8. Miscellaneous costs related to any of the items described above including planning, engineering, GIS, legal, and city and county administration costs.

9. The levy of special taxes to accumulate sinking funds for anticipated future repairs or replacement costs of landscape corridors, irrigation facilities, medians, entries and entry monumentation, lighting, neighborhood parks, storm water management and other facilities maintained by the CFD as determined by the Administrator.

Annual maintenance functions and costs generally will include the installation, maintenance

and servicing of ground cover, shrubs and trees, irrigation systems, street lighting, fencing, sound walls, sidewalks, monuments, enhanced open space maintenance including but not limited to maintaining the enhanced open space areas located adjacent to avoided or created habitat mitigation areas and other buffer areas between the enhanced open space and vertical development, bike trails, walkways, entry signage, street pavers, and labor, materials, supplies, utilities (including water and electricity) and equipment, as applicable, for property owned or maintained by the City. Annual maintenance costs include and allowance for long-term repair and replacement of improvements.

CFD 23 may fund any of the following related to the maintenance of the services described above: obtaining, repairing, reconstructing, furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/or equipment, apparatus, facilities or fixtures in areas to be maintained, paying the salaries and benefits of the personnel necessary or convenient to provide the services, and other related expenses and the provision of reserves for repairs and replacements for the future provision of services. It is expected that the services will be provided by the City, either with its own employees or by contract with third parties, or any combination thereof. CFD 23 may also fund administrative fees of the City related to CFD 23.

EXHIBIT E

RATE AND METHOD OF APPORTIONMENT

[Attached for each Improvement Area]

EXHIBIT E

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 1**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 1 (CFD No. 23 IA1) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA1 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor’s Parcel is equal to the Acreage of such parcel 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.

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

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

“Authorized Services” means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA1.

“Bond Year” means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

“Bonds” means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA1 under the Act.

“CFD No. 23 IA1 Administrator” means the City’s Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 23 IA1” means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 1.

“City” means the City of Folsom.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 23 IA1.

“County” means the County of Sacramento.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Effective Tax Rate Evaluation” means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Minimum Facilities Revenue” means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA1 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

“Exempt Property” means all Assessors’ Parcels that are exempt from the Special Tax pursuant to Section F. Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA1, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No.

23 IA1, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA1, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA1 for any other administrative purposes, including, but not limited to, attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

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

“Facilities Special Tax Escalation Factor” means two percent (2%) annually.

“Facilities Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA1 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA1 Administrator pursuant to the Indenture.

“Facilities Special Tax Term” means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA1.

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

“Indenture” means the 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.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA1 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor’s Parcel shall be classified as Non-Residential Property.

“MMD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Non-Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

“Open Space Property” means property within the boundaries of CFD No. 23 IA1 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Outstanding Bonds” means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

“Pay as You Go Costs” means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA1.

“Permit Ready Multi-Family/Non-Residential Property” means an Assessor’s Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor’s Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor’s Parcel as Permit Ready Multi-Family/Non-Residential Property.

“Planned Development” means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA1, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA1.

“Price Point Study” means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

“Property Owner Association Property” means any property within the boundaries of CFD No. 23 IA1, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA1.

“Public Property” means any property within the boundaries of CFD No. 23 IA1, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is

designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA1 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA1, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA1 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA1 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the

Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA1 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA1 that are not exempt from the CFD No. 23 IA1 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA1 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA1 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor’s Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the

revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IA1, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IA1.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor’s Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property

subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IA1 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA1 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor’s Parcel of Taxable Property within CFD No. 23 IA1 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA1.

Using the definitions and procedures described herein, the CFD No. 23 IA1 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IA1 Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IA1 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

F.1. The CFD No. 23 IA1 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor's Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

F.2. The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until

the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

F.3. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section F.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

G. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 23 IA1, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 23 IA1 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

H. INTERPRETATIONS

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

I. REVIEW/APPEALS

The CFD No. 23 IA1 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA1 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 may file a written appeal of the Special Tax with the CFD No. 23 IA1 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA1 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA1 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA1 Administrator’s decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA1 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years’ Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA1, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor’s Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA1 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA1 Administrator shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of

redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA1 Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor’s Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor’s Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor’s Parcel’s annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IA1, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor’s Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the “Prepayment Quotient”).

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities

Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section K.1 above

A = the Administrative Fees and Expenses calculated according to Section K.1 above

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IA1 Administrator of (i) such owner's intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA1 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 23 IA1 Administrator shall indicate in the records of CFD No. 23 IA1 that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 - F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Developed Property:				
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$210	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	210	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	210	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	210	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	210	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	210	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	156	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	156	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	156	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	156	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	156	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	156	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	500	Acre
MHD Multi-Family Attached Property	Not Applicable	11,700	1,000	Acre
Non-Residential Property	Not Applicable	11,700	1,000	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Small Lot Final Map Property:				
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$210	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	156	Residential Lot
Permit Ready Multi-Family/Non-Residential Property				
	Not Applicable	\$11,700	\$1,000	Acre
Large Lot Property				
	Not Applicable	\$22,500	\$1,400	Acre
Undeveloped Property				
	Not Applicable	\$22,500	\$1,400	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	441	\$2,900	\$1,278,900
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	257	2,900	745,300
MMD Multi-Family Attached Property	0.0	30,000	0
MHD Multi-Family Attached Property	9.8	11,700	114,660
Non-Residential Property	0.0	11,700	0
Total Minimum Facilities Revenue			\$2,138,860

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor’s Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$ _____	Acre
Large Lot Property	Not Applicable	\$ _____	Acre
Undeveloped Property	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 1
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor’s Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 2**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 2 (CFD No. 23 IA2) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA2 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA2, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel 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.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA2.

"Bond Year" means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA2 under the Act.

"CFD No. 23 IA2 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 23 IA2” means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 2.

“City” means the City of Folsom.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 23 IA2.

“County” means the County of Sacramento.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Effective Tax Rate Evaluation” means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Minimum Facilities Revenue” means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA2 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

“Exempt Property” means all Assessors’ Parcels that are exempt from the Special Tax pursuant to Section F. Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA2, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No.

23 IA2, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA2, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA2 for any other administrative purposes, including, but not limited to, attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

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

“Facilities Special Tax Escalation Factor” means two percent (2%) annually.

“Facilities Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA2 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA2 Administrator pursuant to the Indenture.

“Facilities Special Tax Term” means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA2.

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

“Indenture” means the 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.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA2 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor’s Parcel shall be classified as Non-Residential Property.

“MMD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Non-Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

“Open Space Property” means property within the boundaries of CFD No. 23 IA2 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Outstanding Bonds” means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

“Pay as You Go Costs” means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA2.

“Permit Ready Multi-Family/Non-Residential Property” means an Assessor’s Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor’s Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor’s Parcel as Permit Ready Multi-Family/Non-Residential Property.

“Planned Development” means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA2, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA2.

“Price Point Study” means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

“Property Owner Association Property” means any property within the boundaries of CFD No. 23 IA2, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA2.

“Public Property” means any property within the boundaries of CFD No. 23 IA2, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is

designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA2 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA2, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA2 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA2 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the

Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA2 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA2 that are not exempt from the CFD No. 23 IA2 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA2 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA2 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor’s Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the

revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IA2, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IA2.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor’s Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property

subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IA2 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA2 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 23 IA2 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA2.

Using the definitions and procedures described herein, the CFD No. 23 IA2 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IA2 Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IA2 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

F.1. The CFD No. 23 IA2 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor's Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

F.2. The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until

the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

- F.3. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section F.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

G. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 23 IA2, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 23 IA2 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

H. INTERPRETATIONS

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

I. REVIEW/APPEALS

The CFD No. 23 IA2 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA2 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 may file a written appeal of the Special Tax with the CFD No. 23 IA2 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA2 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA2 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA2 Administrator’s decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA2 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years’ Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA2, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor’s Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA2 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA2 Administrator shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of

redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA2 Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IA2, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities

Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section K.1 above

A = the Administrative Fees and Expenses calculated according to Section K.1 above

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IA2 Administrator of (i) such owner's intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA2 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 23 IA2 Administrator shall indicate in the records of CFD No. 23 IA2 that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 - F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Developed Property:				
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$200	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	200	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	200	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	200	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	200	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	200	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	103	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	103	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	103	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	103	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	103	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	103	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	500	Acre
MHD Multi-Family Attached Property	Not Applicable	11,700	1,000	Acre
Non-Residential Property	Not Applicable	11,700	1,000	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Small Lot Final Map Property:				
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$200	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	103	Residential Lot
Permit Ready Multi-Family/Non-Residential Property				
	Not Applicable	\$11,700	\$1,000	Acre
Large Lot Property				
	Not Applicable	\$29,000	\$1,000	Acre
Undeveloped Property				
	Not Applicable	\$29,000	\$1,000	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	0	\$2,900	\$0
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	340	2,900	986,000
MMD Multi-Family Attached Property	0.0	30,000	0
MHD Multi-Family Attached Property	0.0	11,700	0
Non-Residential Property	5.1	11,700	59,670
Total Minimum Facilities Revenue			\$1,045,670

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$ _____	Acre
Large Lot Property	Not Applicable	\$ _____	Acre
Undeveloped Property	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 2
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor’s Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 3**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 3 (CFD No. 23 IA3) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA3 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA3, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor’s Parcel is equal to the Acreage of such parcel 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.

“Active-Adult Property” means an Assessor’s Parcel of Residential Property which has a restriction recorded against title of the Assessor’s Parcel that limits occupancy of the Residential Unit on the Assessor’s Parcel to residents above a certain age. The Maximum Services Special Tax Rate for Active-Adult Property shall be assigned in accordance with Attachment A of this Rate and Method of Apportionment. There are no Maximum Facilities Special Tax Rate or Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate adjustments for Assessor’s Parcels classified as Active-Adult Property.

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

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

“Authorized Services” means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA3.

“Bond Year” means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

E - 3

“Bonds” means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA3 under the Act.

“CFD No. 23 IA3 Administrator” means the City’s Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 23 IA3” means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 3.

“City” means the City of Folsom.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 23 IA3.

“County” means the County of Sacramento.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Effective Tax Rate Evaluation” means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Minimum Facilities Revenue” means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA3 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

“Exempt Property” means all Assessors’ Parcels that are exempt from the Special Tax pursuant to Section F. Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA3, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No. 23 IA3, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA3, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA3 for any other administrative purposes, including, but not limited to, attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

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

“Facilities Special Tax Escalation Factor” means two percent (2%) annually.

“Facilities Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA3 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA3 Administrator pursuant to the Indenture.

“Facilities Special Tax Term” means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA3.

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

“Indenture” means the 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.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as

Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA3 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall

be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor's Parcel shall be classified as Non-Residential Property.

"MMD Multi-Family Attached Property" means all Assessor's Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor's Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

"Non-Residential Property" means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

"Open Space Property" means property within the boundaries of CFD No. 23 IA3 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Outstanding Bonds" means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

"Pay as You Go Costs" means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA3.

"Permit Ready Multi-Family/Non-Residential Property" means an Assessor's Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor's Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor's Parcel as Permit Ready Multi-Family/Non-Residential Property.

"Planned Development" means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA3, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA3.

"Price Point Study" means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

"Property Owner Association Property" means any property within the boundaries of CFD No. 23 IA3, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA3.

“Public Property” means any property within the boundaries of CFD No. 23 IA3, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA3 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA3, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA3 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to

exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA3 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA3 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan

pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA3 that are not exempt from the CFD No. 23 IA3 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA3 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA3 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map

Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IA3, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IA3.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor’s Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate

Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IA3 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The

Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA3 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor’s Parcel of Taxable Property within CFD No. 23 IA3 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA3.

Using the definitions and procedures described herein, the CFD No. 23 IA3 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IA3 Facilities Special Tax levied against any Assessor’s Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IA3 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor’s Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

- F.1.** The CFD No. 23 IA3 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor's Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

- F.2.** The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

- F.3.** If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section F.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

G. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 23 IA3, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD

No. 23 IA3 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

H. INTERPRETATIONS

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

I. REVIEW/APEALS

The CFD No. 23 IA3 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA3 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 may file a written appeal of the Special Tax with the CFD No. 23 IA3 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA3 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA3 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA3 Administrator's decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA3 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA3, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually

foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor's Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA3 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA3 Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA3 Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor's Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor's Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor's Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor's Parcel's annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IA3, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor's Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the "Prepayment Quotient").

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

- PP** = the Partial Prepayment Amount
- PE** = the Prepayment Amount calculated according to Section K.1 above
- A** = the Administrative Fees and Expenses calculated according to Section K.1 above
- F** = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IA3 Administrator of (i) such owner's intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA3 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 23 IA3 Administrator shall indicate in the records of CFD No. 23 IA3 that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 - F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 3
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	2020-2021 Maximum Services Special Tax Rate: Active-Adult Property ⁽²⁾⁽³⁾	Taxed Per
Developed Property:					
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$175	\$100	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	175	100	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	175	100	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	175	100	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	175	100	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	175	100	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	125	40	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	125	40	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	125	40	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	125	40	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	125	40	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	125	40	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	500	500	Acre
MHD Multi-Family Attached Property	Not Applicable	11,700	1,000	1,000	Acre
Non-Residential Property	Not Applicable	11,700	1,000	1,000	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 3
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate⁽¹⁾	2020-2021 Maximum Services Special Tax Rate⁽²⁾	2020-2021 Maximum Services Special Tax Rate: Active-Adult Property⁽²⁾⁽³⁾	Taxed Per
Small Lot Final Map Property:					
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$175	\$100	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	125	40	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$11,700	\$1,000	\$1,000	Acre
Large Lot Property	Not Applicable	\$18,000	\$1,000	\$1,000	Acre
Undeveloped Property	Not Applicable	\$18,000	\$1,000	\$1,000	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.
- (3) Taxable Property designated as Active-Adult Property shall be assigned a separate Maximum Services Special Tax Rate.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 3
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	1,068	\$2,900	\$3,097,200
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	157	2,900	455,300
MMD Multi-Family Attached Property	0.0	30,000	0
MHD Multi-Family Attached Property	0.0	11,700	0
Non-Residential Property	0.0	11,700	0
Total Minimum Facilities Revenue			\$3,552,500

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor’s Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 3
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 3
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$ _____	Acre
Large Lot Property	Not Applicable	\$ _____	Acre
Undeveloped Property	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
(2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 4**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 4 (CFD No. 23 IA4) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA4 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA4, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel 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.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA4.

"Bond Year" means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA4 under the Act.

"CFD No. 23 IA4 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 23 IA4” means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 4.

“City” means the City of Folsom.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 23 IA4.

“County” means the County of Sacramento.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Effective Tax Rate Evaluation” means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Minimum Facilities Revenue” means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA4 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

“Exempt Property” means all Assessors’ Parcels that are exempt from the Special Tax pursuant to Section F. Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA4, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No.

23 IA4, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA4, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA4 for any other administrative purposes, including, but not limited to, attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

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

“Facilities Special Tax Escalation Factor” means two percent (2%) annually.

“Facilities Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA4 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA4 Administrator pursuant to the Indenture.

“Facilities Special Tax Term” means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA4.

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

“Indenture” means the 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.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA4 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor’s Parcel shall be classified as Non-Residential Property.

“MMD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Non-Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

“Open Space Property” means property within the boundaries of CFD No. 23 IA4 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Outstanding Bonds” means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

“Pay as You Go Costs” means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA4.

“Permit Ready Multi-Family/Non-Residential Property” means an Assessor’s Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor’s Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor’s Parcel as Permit Ready Multi-Family/Non-Residential Property.

“Planned Development” means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA4, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA4.

“Price Point Study” means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

“Property Owner Association Property” means any property within the boundaries of CFD No. 23 IA4, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA4.

“Public Property” means any property within the boundaries of CFD No. 23 IA4, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is

designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA4 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA4, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA4 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA4 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the

Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA4 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA4 that are not exempt from the CFD No. 23 IA4 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA4 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA4 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor’s Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the

revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IA4, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IA4.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor’s Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property

subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IA4 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA4 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 23 IA4 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA4.

Using the definitions and procedures described herein, the CFD No. 23 IA4 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IA4 Facilities Special Tax levied against any Assessor’s Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IA4 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor’s Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

F.1. The CFD No. 23 IA4 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

F.2. The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until

I. REVIEW/APPEALS

The CFD No. 23 IA4 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA4 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 may file a written appeal of the Special Tax with the CFD No. 23 IA4 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA4 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA4 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA4 Administrator’s decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA4 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years’ Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA4, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor’s Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA4 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA4 Administrator shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of

redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA4 Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor’s Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor’s Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor’s Parcel’s annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IA4, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor’s Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the “Prepayment Quotient”).

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities

Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section K.1 above

A = the Administrative Fees and Expenses calculated according to Section K.1 above

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IA4 Administrator of (i) such owner's intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA4 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 23 IA4 Administrator shall indicate in the records of CFD No. 23 IA4 that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 - F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Developed Property:				
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$205	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	205	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	205	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	205	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	205	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	205	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	140	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	140	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	140	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	140	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	140	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	140	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	500	Acre
MHD Multi-Family Attached Property	Not Applicable	11,700	1,000	Acre
Non-Residential Property	Not Applicable	11,700	1,000	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Small Lot Final Map Property:				
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$205	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	140	Residential Lot
Permit Ready Multi-Family/Non-Residential Property				
	Not Applicable	\$11,700	\$1,000	Acre
Large Lot Property				
	Not Applicable	\$20,000	\$1,100	Acre
Undeveloped Property				
	Not Applicable	\$20,000	\$1,100	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	366	\$2,900	\$1,061,400
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	251	2,900	727,900
MMD Multi-Family Attached Property	0.0	30,000	0
MHD Multi-Family Attached Property	0.0	11,700	0
Non-Residential Property	0.0	11,700	0
Total Minimum Facilities Revenue			\$1,789,300

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor’s Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$ _____	Acre
Large Lot Property	Not Applicable	\$ _____	Acre
Undeveloped Property	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 4
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor’s Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 5**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 5 (CFD No. 23 IA5) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA5 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA5, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel 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.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA5.

"Bond Year" means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA5 under the Act.

"CFD No. 23 IA5 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 23 IA5” means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 5.

“City” means the City of Folsom.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 23 IA5.

“County” means the County of Sacramento.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Effective Tax Rate Evaluation” means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Minimum Facilities Revenue” means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA5 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

“Exempt Property” means all Assessors’ Parcels that are exempt from the Special Tax pursuant to Section F. Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA5, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No.

23 IA5, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA5, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA5 for any other administrative purposes, including, but not limited to, attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

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

“Facilities Special Tax Escalation Factor” means two percent (2%) annually.

“Facilities Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA5 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA5 Administrator pursuant to the Indenture.

“Facilities Special Tax Term” means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA5.

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

“Indenture” means the 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.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA5 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor’s Parcel shall be classified as Non-Residential Property.

“MMD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Non-Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

“Open Space Property” means property within the boundaries of CFD No. 23 IA5 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Outstanding Bonds” means all Bonds, which remain outstanding as defined in the indenture pursuant to which such Bonds were issued.

“Pay as You Go Costs” means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA5.

“Permit Ready Multi-Family/Non-Residential Property” means an Assessor’s Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor’s Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor’s Parcel as Permit Ready Multi-Family/Non-Residential Property.

“Planned Development” means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA5, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA5.

“Price Point Study” means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

“Property Owner Association Property” means any property within the boundaries of CFD No. 23 IA5, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA5.

“Public Property” means any property within the boundaries of CFD No. 23 IA5, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is

designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA5 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA5, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA5 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA5 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the

Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA5 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA5 that are not exempt from the CFD No. 23 IA5 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA5 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA5 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor’s Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the

revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IAS, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IAS.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor’s Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property

subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IAS Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA5 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 23 IA5 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA5.

Using the definitions and procedures described herein, the CFD No. 23 IA5 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IA5 Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IA5 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

F.1. The CFD No. 23 IA5 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor's Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

F.2. The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until

the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

F.3. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section F.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

G. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 23 IA5, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 23 IA5 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

H. INTERPRETATIONS

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

I. REVIEW/APPEALS

The CFD No. 23 IA5 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA5 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 may file a written appeal of the Special Tax with the CFD No. 23 IA5 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA5 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA5 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA5 Administrator’s decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA5 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years’ Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA5, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor’s Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA5 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA5 Administrator shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of

redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IAS Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor’s Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor’s Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor’s Parcel’s annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IAS, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor’s Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the “Prepayment Quotient”).

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities

Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section K.1 above

A = the Administrative Fees and Expenses calculated according to Section K.1 above

F = the percent by which the owner of the Assessor’s Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor’s Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IAS Administrator of (i) such owner’s intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IAS Administrator may charge a fee for providing this service.

With respect to any Assessor’s Parcel that is partially prepaid, the CFD No. 23 IAS Administrator shall indicate in the records of CFD No. 23 IAS that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 – F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor’s Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Developed Property:				
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$165	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	165	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	165	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	165	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	165	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	165	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	85	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	85	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	85	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	500	Acre
MHD Multi-Family Attached Property	Not Applicable	11,700	1,000	Acre
Non-Residential Property	Not Applicable	11,700	1,000	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Small Lot Final Map Property:				
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$165	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	85	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$11,700	\$1,000	Acre
Large Lot Property	Not Applicable	\$20,000	\$1,000	Acre
Undeveloped Property	Not Applicable	\$20,000	\$1,000	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	278	\$2,900	\$806,200
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	401	2,900	1,162,900
MMD Multi-Family Attached Property	9.7	30,000	291,000
MHD Multi-Family Attached Property	17.8	11,700	208,260
Non-Residential Property	23.5	11,700	274,950
Total Minimum Facilities Revenue			\$2,743,310

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor’s Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$ _____	Acre
Large Lot Property	Not Applicable	\$ _____	Acre
Undeveloped Property	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 5
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor’s Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 23
(FOLSOM RANCH)
Improvement Area 6**

A Special Tax, as hereinafter defined, shall be levied on each Assessor's Parcel of Taxable Property within the City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 6 (CFD No. 23 IA6) and collected each Fiscal Year in an amount determined by the CFD No. 23 IA6 Administrator through the application of the Rate and Method of Apportionment as described below. All of the real property within CFD No. 23 IA6, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

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 and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot 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 GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel 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.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating lots or parcels by an Assessor's Parcel number.

"Authorized Services" means the landscape corridor, enhanced open space and street light maintenance, services, and expenses authorized to be financed by CFD No. 23 IA6.

"Bond Year" means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable indenture.

"Bonds" means any bonds or other debt (as defined in the Act), whether in one or more series, issued by CFD No. 23 IA6 under the Act.

"CFD No. 23 IA6 Administrator" means the City's Finance Director, or designee thereof, responsible for determining the Facilities Special Tax Requirement, Services Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 23 IA6” means City of Folsom Community Facilities District No. 23 (Folsom Ranch) Improvement Area 6.

“City” means the City of Folsom.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 23 IA6.

“County” means the County of Sacramento.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Effective Tax Rate Evaluation” means an evaluation of the Total Effective Tax Rate of Residential Property at the time of such evaluation. The Effective Tax Rate Evaluation will be based upon a prepared Price Point Study to determine the Total Effective Tax Rate for Residential Property, based upon the calculated Total Estimated Tax Burden.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, as determined during the Effective Tax Rate Evaluation, in accordance with the provisions of Section C.2, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property that will be set forth in Attachment C, following the Effective Tax Rate Evaluation, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Effective Tax Rate Evaluation Minimum Facilities Revenue” means, following the Effective Tax Rate Evaluation, the total minimum amount of CFD No. 23 IA6 Effective Tax Rate Evaluation Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor after the Fiscal Year in which the Effective Tax Rate Evaluation occurs, less any Effective Tax Rate Evaluation Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Effective Tax Rate Evaluation Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment D of this Rate and Method of Apportionment.

“Exempt Property” means all Assessors’ Parcels that are exempt from the Special Tax pursuant to Section F. Assessor’s Parcels exempt from the Special Tax pursuant to Section 53340 of the Act shall also be designated as Exempt Property.

“Facilities Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Facilities Special Tax including, but not limited to, the following: the costs of computing the Facilities Special Tax and preparing the annual Facilities Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Facilities Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Facilities Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 23 IA6, or any designee thereof of complying with arbitrage rebate requirements or responding to questions from the IRS or SEC pertaining to any Bonds or any audit of any Bonds by the SEC or IRS; the costs to the City, CFD No.

23 IA6, or any designee thereof of providing continuing disclosure regarding the Bonds pursuant to applicable state or federal securities law; the costs associated with preparing Facilities Special Tax disclosure statements and responding to public inquiries regarding the Facilities Special Taxes; the costs of the City, CFD No. 23 IA6, or any designee thereof related to any appeal of the levy or application of the Facilities Special Tax; the costs associated with the release of funds from an escrow account, if any; and the costs associated with computing and preparing the Effective Tax Rate Evaluation, including the Price Point Study. Facilities Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA6 for any other administrative purposes, including, but not limited to, attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Facilities Special Taxes.

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

“Facilities Special Tax Escalation Factor” means two percent (2%) annually.

“Facilities Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 23 IA6 to: (i) Pay Facilities Administrative Expenses in an amount designated by the City; (ii) pay annual debt service on all Outstanding Bonds due in the Bond Year beginning in such Fiscal Year; (iii) pay other periodic costs on Outstanding Bonds, including but not limited to, credit enhancement and rebate payments on Outstanding Bonds; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds in accordance with the Indenture; (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year and known upcoming delinquencies; and (vi) pay for Pay As You Go Costs; less (vii) a credit for funds available to reduce the annual Facilities Special Tax levy as determined by the CFD No. 23 IA6 Administrator pursuant to the Indenture.

“Facilities Special Tax Term” means the earlier of Fiscal Year 2079-2080 or the Fiscal Year occurring 50 years following the Fiscal Year in which the first building permit was issued or the first series of Bonds was issued within CFD No. 23 IA6.

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

“Indenture” means the 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.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property, Small Lot Final Map Property, or Permit Ready Multi-Family/Non-Residential Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which building permits may be issued for single-family Residential Units.

“Maximum Facilities Special Tax” means the total maximum annual Facilities Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Facilities Special Tax Rate” means the maximum annual Facilities Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax” means the total maximum annual Services Special Tax, determined in accordance with the provisions of Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Services Special Tax Rate” means the maximum annual Services Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax” means the total annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and Maximum Services Special Tax, determined in accordance with the provisions of Section C and Section D, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Total Effective Tax Rate” means 1.80%, unless the City determines, in its sole discretion, that a higher Maximum Total Effective Tax Rate is appropriate.

“Minimum Facilities Revenue” means the minimum amount of total CFD No. 23 IA6 Maximum Facilities Special Tax, as adjusted annually by the Facilities Special Tax Escalation Factor, less any Maximum Facilities Special Tax amounts prepaid and permanently satisfied pursuant to Section K. The Minimum Facilities Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment.

“MHD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of greater than 20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council. MHD Multi-Family Attached Property shall also include an Assessor’s Parcel or that portion of an Assessor’s Parcel designated as a Mixed Use Residential Parcel.

“Mixed Use Residential Parcel” means a mixed use Assessor’s Parcel that is designated for residential land use. If the mixed use Assessor’s Parcel contains a combination of residential land use and non-residential land use, only that portion of an Assessor’s Parcel designated for residential land use shall be classified as a Mixed Use Residential Parcel and the remaining non-residential land use of the Assessor’s Parcel shall be classified as Non-Residential Property.

“MMD Multi-Family Attached Property” means all Assessor’s Parcels for which a building permit could be issued for purposes of constructing one or more attached Residential Units per Assessor’s Parcel with a permitted density range of 12-20 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Non-Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing non-residential buildings.

“Open Space Property” means property within the boundaries of CFD No. 23 IA6 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Outstanding Bonds” means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

“Pay as You Go Costs” means that portion of the Facilities Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 23 IA6.

“Permit Ready Multi-Family/Non-Residential Property” means an Assessor’s Parcel of Taxable Property zoned for multi-family or non-residential land use for which all discretionary entitlements have been obtained, including without limitation, development plan review and improvement plan approval, such that building permits may be issued without further approvals for the construction of multi-family Residential Units or non-residential buildings within such Assessor’s Parcel. The City shall have sole discretion, based upon available development information, in classifying an Assessor’s Parcel as Permit Ready Multi-Family/Non-Residential Property.

“Planned Development” means the planned number of Residential Units, MHD Multi-Family Attached Property Acreage, MMD Multi-Family Attached Property Acreage, and Non-Residential Property Acreage planned within CFD No. 23 IA6, set forth in Attachment B or, following the Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 23 IA6.

“Price Point Study” means an analysis, prepared by an independent firm, to verify the estimated average sales price within each land use category of Residential Property given the project location and current market conditions.

“Property Owner Association Property” means any property within the boundaries of CFD No. 23 IA6, which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Facilities Special Tax levy to the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) and the Services Special Tax levy to the Maximum Services Special Tax is equal for all Assessors’ Parcels within each classification (Developed Property, Single Family Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, etc.) within CFD No. 23 IA6.

“Public Property” means any property within the boundaries of CFD No. 23 IA6, which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is

designated with specific boundaries and Acreage on a Small Lot 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, the City, or any other public agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 23 IA6 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the building permit(s) issued for such structure prior to it being classified as Developed Property, and shall not change as a result of additions or modifications made to such structure after such classification as Developed Property.

“Residential Lot” means an individual lot of land for which a building permit could be issued to construct a Residential Unit.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing Residential Units, including Single-Family Detached Property – SF/SFHD Zoning, Single-Family Detached Property – MLD Zoning, MHD Multi-Family Attached Property, and MMD Multi-Family Attached Property.

“Residential Unit” means a residential dwelling unit, not including guest quarters or “granny flats” as allowed by the City zoning code.

“Services Administrative Expenses” means the actual or reasonably estimated costs directly related to the administration of the Services Special Tax including, but not limited to, the following: the costs of computing the Services Special Taxes and preparing the annual Services Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Services Special Taxes (whether by the County, the City, or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Services Special Tax; and the costs of the City, CFD No. 23 IA6, or any designee thereof related to any appeal of the levy or application of the Services Special Tax. Services Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 23 IA6 for any other administrative purposes related to the Services Special Tax.

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

“Services Special Tax Escalation Factor” means the June annualized percentage change of the Consumer Price Index for all Urban Consumers, for the San Francisco-Oakland-San Jose area, not to exceed four percent (4%). In the event that the percentage change is negative, the Services Special Tax Escalation Factor shall be equal to zero.

“Services Special Tax Requirement” means the amount of Services Special Tax revenue required in any Fiscal Year for CFD No. 23 IA6 to: (i) Pay Services Administrative Expenses in an amount designated by the City; (ii) pay Authorized Services expenses; (iii) pay any amounts required to establish or replenish any repair and contingency funds, capital improvement funds, or reserve funds related to the Authorized Services expenses; (iv) cover any shortfalls that exist if, in any Fiscal Year, the levy of the Facilities Special Tax on each Assessor’s Parcel of Taxable Property is insufficient to pay the

Facilities Special Tax Requirement in that Fiscal Year. Facilities Special Tax Requirement shortfalls shall not include Pay As You Go Costs, and (v) pay for reasonably anticipated delinquent Services Special Taxes based on the delinquency rate for Services Special Taxes levied in the previous Fiscal Year; less (vi) a credit for funds available to reduce the annual Services Special Tax levy as determined by the CFD No. 23 IA6 Administrator.

“Single-Family Detached Property – MLD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Single-Family Detached Property – SF/SFHD Zoning” means, for each Fiscal Year, all Taxable Property for which a building permit could be issued for purposes of constructing one or more Residential Units. Single-Family Detached Property – SF/SFHD Zoning shall consist of either single-family property with a permitted density range of 1-4 Residential Units per Acre or single-family high density property with a permitted density range of 4-7 Residential Units per Acre, which is more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Special Tax” means the annual Facilities Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Facilities Special Tax Requirement and the Services Special Tax Requirement.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the boundaries of CFD No. 23 IA6 that are not exempt from the CFD No. 23 IA6 Special Tax pursuant to law or Section F below.

“Total Effective Tax Rate” means the percentage of the Total Estimated Tax Burden as compared to the estimated average sales price identified in the Price Point Study for each land use category of Residential Property.

“Total Estimated Tax Burden” means the total amount of overlapping property taxes anticipated to be levied upon a Residential Unit, based upon the estimated average sales price identified in the Price Point Study and existing property tax rates for the current Fiscal Year. Existing property tax rates shall reflect the actual property tax rates levied upon Taxable Property in the Fiscal Year that the Effective Tax Rate Evaluation is completed.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, or Large Lot Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor’s Parcels within the boundaries of CFD No. 23 IA6 shall be designated as either Taxable Property or Tax-Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, Permit Ready Multi-Family/Non-Residential Property, Large Lot Property, or Undeveloped Property and shall be subject to the levy of the annual Special Tax determined pursuant to Sections C and D below.

C. FACILITIES SPECIAL TAX

A Maximum Facilities Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA6 according to the Maximum Facilities Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

Once assigned, the sum of the total Maximum Facilities Special Tax shall be equal to or greater than the Minimum Facilities Revenue, unless adjusted by an Effective Tax Rate Evaluation as described below. The Minimum Facilities Revenue for Fiscal Year 2020-2021 is set forth in Attachment B of this Rate and Method of Apportionment.

On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor’s Parcel Changes – Prior to an Effective Tax Rate Evaluation

The Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the

revised sum of the total Maximum Facilities Special Tax revenue is not less than the Minimum Facilities Revenue set forth in Attachment B of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Further, if the sum of the total current Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, the Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is greater than or equal to the Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-

Residential Property Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Facilities Special Tax is less than the Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Facilities Special Tax is equal to the Minimum Facilities Revenue. Attachment B of this Rate and Method of Apportionment shall be updated to reflect any increases to the Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.2. Effective Tax Rate Evaluation

Prior to the issuance of the first building permit or the first series of Bonds within CFD No. 23 IA6, whichever comes earlier, an Effective Tax Rate Evaluation will be completed. Following the Effective Tax Rate Evaluation, Attachment C of this Rate and Method of Apportionment will be updated to reflect the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for all Taxable Property in CFD No. 23 IA6.

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates

As part of the Effective Tax Rate Evaluation, a Price Point Study will be prepared and estimated average sales prices will be established for each Residential Property land use category. Using the estimated average sales price information determined in the Price Point Study, the Total Estimated Tax Burden and Total Effective Tax Rate will be calculated, using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A, for each Residential Property land use category. If the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category, the Maximum Facilities Special Tax Rate shall not be adjusted and will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment A. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

If the Total Effective Tax Rate for any Residential Property land use category exceeds the Total Maximum Effective Tax Rate, the Developed Property Maximum Facilities Special Tax Rate set forth in Attachment A shall be reduced until the Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for that Residential Property land use category. Attachment C of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category.

Effective Tax Rate Evaluation Minimum Facilities Revenue

As a result of the Effective Tax Rate Evaluation, if the calculated Total Effective Tax Rate is less than or equal to the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Developed Property Maximum Facilities Special Tax Rate for the applicable Residential Property land use category shall not be adjusted and the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Maximum Facilities Special Tax Rates set forth in Attachment B. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

If the calculated Total Effective Tax Rate exceeds the Total Maximum Effective Tax Rate for a Residential Property land use category used in the Minimum Facilities Revenue calculation, the Effective Tax Rate Evaluation Developed Property Maximum Facilities Special Tax Rate will be assigned using the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in Attachment C. Attachment D of this Rate and Method of Apportionment will be updated to set forth the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for each Residential Property land use category and the Effective Tax Rate Evaluation Minimum Facilities Revenue.

C.3. Future Assessor’s Parcel Changes – After an Effective Tax Rate Evaluation

The Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be assigned to all future Assessor’s Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor’s Parcels so that the revised sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue is not less than the total Effective Tax Rate Evaluation Minimum Facilities Revenue set forth in Attachment D of this Rate and Method of Apportionment.

Undeveloped Property Subdividing into Large Lot Property

When Undeveloped Property subdivides into Large Lot Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any Large Lot Property and any remaining Undeveloped Property shall be based upon the Planned Development for the Large Lot Property and remaining Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax generated by all of the Taxable Property is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property created from the Undeveloped Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Large Lot Property created from the Undeveloped Property

subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Further, if the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Large Lot Property and any remaining Undeveloped Property created from the Undeveloped Property subdivision shall be Proportionately increased until the sum of the total current Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Undeveloped Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property.

Large Lot Property Subdividing into Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property

When Large Lot Property subdivides into Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property, the Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax for any remaining Large Lot Property and Undeveloped Property shall be based upon the Planned Development of the Large Lot Property and the Undeveloped Property.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is greater than or equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue, there will be no further adjustments to the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates for the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is less than the Effective Tax Rate Evaluation Minimum Facilities Revenue, and such difference is not eliminated by the full or partial prepayment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax pursuant to Section K, the Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property, Small Lot Final Map Remainder Property and Permit Ready Multi-Family/Non-Residential Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax is equal to the Effective Tax Rate Evaluation Minimum Facilities Revenue. Attachment D of this Rate and Method of Apportionment shall be updated to reflect any increases to the

Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates from the Large Lot Property subdivision. The Developed Property, Small Lot Final Map Property and Permit Ready Multi-Family/Non-Residential Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property, Small Lot Final Map Property or Permit Ready Multi-Family/Non-Residential Property created prior to the Large Lot Property subdivision.

C.4. Method of Apportionment of Facilities Special Tax

Using the definitions and procedures described herein, the CFD No. 23 IA6 Administrator shall determine the Facilities Special Tax Requirement and levy the Facilities Special Tax until the amount of Facilities Special Taxes equals the Facilities Special Tax Requirement. The Facilities Special Tax shall be levied each Fiscal Year as follows:

Prior to an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

After an Effective Tax Rate Evaluation

First: The Facilities Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax in order to satisfy the Facilities Special Tax Requirement.

Second: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first two steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Permit Ready Multi-Family/Non-Residential Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fourth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Large Lot Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

Fifth: If additional monies are needed to satisfy the Facilities Special Tax Requirement after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on all Undeveloped Property at a rate up to 100% of the Effective Tax Rate Evaluation Maximum Facilities Special Tax. The Facilities Special Tax shall be levied on Undeveloped Property for the entire portion of the Facilities Special Tax Requirement, excluding only Pay As You Go Costs.

D. SERVICES SPECIAL TAX

A Services Special Tax shall be assigned to all Taxable Property within CFD No. 23 IA6 according to the Maximum Services Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment.

D.1. Increase in the Maximum Services Special Tax

On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.

D.2. Method of Apportionment of Services Special Tax

If, in any Fiscal Year, the Facilities Special Tax is levied against each Assessor's Parcel of Taxable Property within CFD No. 23 IA6 and the Facilities Special Tax revenues generated are insufficient to pay the Facilities Special Tax Requirement such shortfall shall be deemed a component of the Services Special Tax Requirement in that Fiscal Year, and proceeds from the levy of the Services Special Tax shall first be applied to mitigate the shortfall in the Facilities Special Tax Requirement before being used to pay for Authorized Services. The Services Special Tax revenue shall not be applied to any Facilities Special Tax Requirement shortfalls attributable to Pay As You Go Costs authorized to be financed by CFD No. 23 IA6.

Using the definitions and procedures described herein, the CFD No. 23 IA6 Administrator shall determine the Services Special Tax Requirement and levy the Services Special Tax until the amount of Services Special Tax equals the Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Second: If additional monies are needed to satisfy the Services Special Tax Requirement after the first step has been completed, the Services Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Third: If additional monies are needed to satisfy the Services Special Tax Requirement after the first two steps have been completed, the Services Special Tax shall be levied Proportionately on all Permit Ready Multi-Family/Non-Residential Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Services Special Tax Requirement after the three steps have been completed, the Services Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Services Special Tax in order to satisfy the Services Special Tax Requirement.

E. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 23 IA6 Facilities Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 23 IA6 Facilities Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. EXEMPTIONS

F.1. The CFD No. 23 IA6 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, Assessor's Parcels exempt from the Special Tax pursuant to Section 53340 of the Act, 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.

F.2. The Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until

the Maximum Facilities Special Tax obligation or, if applicable, the Effective Tax Rate Evaluation Maximum Facilities Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Facilities Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Facilities Special Tax revenue or, if applicable, Effective Tax Rate Evaluation Maximum Facilities Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.

F.3. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section F.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

G. TRANSFERS

Prior to the issuance of the first series of Bonds within CFD No. 23 IA6, the City may permit the transfer of Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel. Before recordation of a Small Lot Final Subdivision Map, if a subdivision map is required, the City may permit a transfer if the number of planned Residential Units, Multi-Family Attached Property Acreage, or Non-Residential Property Acreage is transferred from one Assessor's Parcel(s) to another Assessor's Parcel(s) in any portion of Large Lot Property. The City may, in its sole discretion, allow for a transfer of the Maximum Facilities Special Tax or Effective Tax Rate Evaluation Maximum Facilities Special Tax from one Assessor's Parcel to another Assessor's Parcel provided such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the City's Finance Director, and (2) there is no reduction in the sum of the total Maximum Facilities Special Tax or sum of the total Effective Tax Rate Evaluation Maximum Facilities Special Tax as a result of the transfer. Should a transfer result in an amendment to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment, the requesting property owner shall bear the costs to affect the transfer in the CFD No. 23 IA6 records and prepare the required amendments to Attachment B or, following an Effective Tax Rate Evaluation, Attachment D of this Rate and Method of Apportionment.

H. INTERPRETATIONS

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

I. REVIEW/APPEALS

The CFD No. 23 IA6 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 23 IA6 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 may file a written appeal of the Special Tax with the CFD No. 23 IA6 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The CFD No. 23 IA6 Administrator shall review the appeal, meet with the appellant if the CFD No. 23 IA6 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 23 IA6 Administrator’s decision relative to the appeal, the owner 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. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 23 IA6 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years’ Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

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 CFD No. 23 IA6, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor’s Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

K. PREPAYMENT OF FACILITIES SPECIAL TAX

The Facilities Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel intending to prepay the Facilities Special Tax obligation shall provide the CFD No. 23 IA6 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 23 IA6 Administrator shall notify such owner of the prepayment amount of such Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of

redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA6 Administrator may charge a fee for providing this service.

K.1. Prepayment in Full

As of the proposed date of prepayment, the Prepayment Amount shall be calculated as follows:

Step 1: Determine the current Fiscal Year Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Maximum Facilities Special Tax described in Section C above. If an Effective Tax Rate Evaluation has occurred, determine the current Fiscal Year Effective Tax Rate Evaluation Maximum Facilities Special Tax for the Assessor’s Parcel based on the assignment of the Effective Tax Rate Evaluation Maximum Facilities Special Tax described in Section C above. If the Assessor’s Parcel is not already classified as Developed Property, the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) shall be assigned as though the Assessor’s Parcel was already designated as Developed Property.

Step 2: Calculate the annual revenue produced, by annually applying the Facilities Special Tax Escalation Factor, from the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) from the date of prepayment through the Facilities Special Tax Term, except that this final date may be amended by the City no later than the time of the calculation of the prepayment. If the final date used in the prepayment calculation is amended by the City, this amended final date shall apply to any and all prepayment calculations from that point forward.

Step 3: Calculate the present value of the Assessor’s Parcel’s annual Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) revenue stream determined in Step 2. The present value shall be calculated using a discount rate that earns a rate of interest that, when the prepayment is invested in City permitted and available investments, would produce annual revenues equal to the amounts calculated in Step 2.

If there are Outstanding Bonds at the time of the Prepayment Amount calculation, the Prepayment Amount shall be first allocated to the Redemption Amount. If the Prepayment Amount is insufficient to fund the Redemption Amount, then the Prepayment Amount shall be increased to equal the Redemption Amount.

The Redemption Amount is calculated as follows:

Step 1: Divide the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) computed pursuant to Step 1 of Section K.1 by the total Maximum Facilities Special Taxes (or total Effective Tax Rate Evaluation Maximum Facilities Special Taxes) for the entire CFD No. 23 IA6, based on the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) that could be charged in the current Fiscal Year if all Taxable Property were designated as Developed Property, excluding any Assessor’s Parcels which have prepaid the Maximum Facilities Special Tax (or Effective Tax Rate Evaluation Maximum Facilities Special Tax) obligation (the “Prepayment Quotient”).

Step 2: Multiply the Prepayment Quotient by the Outstanding Bonds to compute the amount of Outstanding Bonds to be redeemed (the "Bond Redemption Amount").

Step 3: Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed.

Step 4: Compute the amount needed to pay interest on the Bond Redemption Amount from the first Bond interest payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.

Step 5: Determine that portion of Facilities Special Taxes levied on the Assessor's Parcel in the current Fiscal Year to satisfy the Facilities Special Tax Requirement, which have not yet been paid.

Step 6: A reserve fund credit shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture for the Bonds), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture for the Bonds) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero. Such reserve fund credit will not decrease the balance in the reserve fund below the new reserve requirement.

Step 7: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the quotient computed pursuant to Step 1 by the expected balance in the capitalized interest fund after such first interest payment.

Step 8: The redemption amount is equal to the sum of the amounts computed pursuant to Steps 2, 3, 4, and 5, less the amount computed pursuant to Steps 6 and 7 (the "Redemption Amount").

If the Prepayment Amount exceeds the Redemption Amount, then any remaining Prepayment Amount, after allocating the Redemption Amount, shall be designated as Pay as You Go Costs.

The Prepayment Amount shall include any fees or expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the cost of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

In addition, the City has the authority to adjust the Prepayment Amount calculated above if a portion or all of the current property tax bill and the portion attributable to the payment of the Facilities Special Tax has not been used to make an interest and/or principal payment on the Bonds.

Notwithstanding the foregoing, no Facilities Special Tax prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities

Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

K.2. Prepayment in Part

The Facilities Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section K.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = ((PE - A) \times F) + A$$

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section K.1 above

A = the Administrative Fees and Expenses calculated according to Section K.1 above

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Facilities Special Tax obligation.

The owner of an Assessor's Parcel who desires to partially prepay the Facilities Special Tax obligation shall notify the CFD No. 23 IA6 Administrator of (i) such owner's intent to partially prepay the Facilities Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 23 IA6 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 23 IA6 Administrator shall indicate in the records of CFD No. 23 IA6 that there has been a partial prepayment of the Facilities Special Tax obligation and that a portion of the Facilities Special Tax obligation equal to the outstanding percentage (1.00 - F) of the remaining Facilities Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes), net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual debt service on all Outstanding Bonds to be paid from the Maximum Facilities Special Taxes (or Effective Tax Rate Evaluation Maximum Facilities Special Taxes) in each Fiscal Year.

L. TERM OF SPECIAL TAX

The Maximum Facilities Special Tax and Effective Tax Rate Evaluation Maximum Facilities Special Tax shall be levied commencing in Fiscal Year 2020-2021 to the extent necessary to fully satisfy the Facilities Special Tax Requirement and shall be levied for the Facilities Special Tax Term.

The Maximum Services Special Tax shall be levied commencing in Fiscal Year 2020-2021 and shall be levied in perpetuity, unless and until such time the City determines that revenues are no longer needed to pay the Services Special Tax Requirement.

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Developed Property:				
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$3,886	\$175	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	3,571	175	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	3,559	175	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	3,293	175	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	3,000	175	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	2,900	175	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	3,886	85	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	3,571	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	3,559	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	3,293	85	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	3,000	85	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	2,900	85	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	30,000	300	Acre
MHD Multi-Family Attached Property	Not Applicable	30,000	300	Acre
Non-Residential Property	Not Applicable	30,000	0	Acre

ATTACHMENT A
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Maximum Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Maximum Facilities Special Tax Rate ⁽¹⁾	2020-2021 Maximum Services Special Tax Rate ⁽²⁾	Taxed Per
Small Lot Final Map Property:				
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$2,900	\$175	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	2,900	85	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$11,700	\$300 ⁽³⁾	Acre
Large Lot Property	Not Applicable	\$30,000	\$500	Acre
Undeveloped Property	Not Applicable	\$30,000	\$500	Acre

- (1) On each July 1, commencing on July 1, 2021, the Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.
- (2) On each July 1, commencing on July 1, 2021, the Maximum Services Special Tax Rates shall be increased by an amount equal to the Services Special Tax Escalation Factor of the Maximum Services Special Tax Rates in effect for the previous Fiscal Year.
- (3) Excludes Permit Ready Multi-Family/Non-Residential Property zoned for non-residential land use.

ATTACHMENT B
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Minimum Facilities Revenue
(Fiscal Year 2020-2021)

Land Use Category	Planned Number of Residential Units / Acres	2020-2021 Developed Property Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	2020-2021 Minimum Facilities Revenue ⁽¹⁾⁽³⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁴⁾	0	\$2,900	\$0
Single-Family Detached Property – MLD Zoning ⁽⁴⁾	0	2,900	0
MMD Multi-Family Attached Property	9.5	30,000	285,000
MHD Multi-Family Attached Property	9.3	11,700	108,810
Non-Residential Property	11.4	11,700	133,380
Total Minimum Facilities Revenue			\$527,190

- (1) On each July 1, commencing on July 1, 2021, the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Maximum Facilities Special Tax Rates and Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor’s Parcel changes, described in Section C.1, the assigned Maximum Facilities Special Tax Rates for Developed Property may exceed the Developed Property Maximum Facilities Special Tax Rates set forth in this table.
- (3) The total Minimum Facilities Revenue may be decreased as result of all or a portion of Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (4) Based upon the Developed Property Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
{Fiscal Year 2020-2021}

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning	≥ 3,600	\$ _____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – SF/SFHD Zoning	< 2,000	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	≥ 3,600	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	3,200 – 3,599	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,800 – 3,199	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,400 – 2,799	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	2,000 – 2,399	_____	Residential Unit
Single-Family Detached Property – MLD Zoning	< 2,000	_____	Residential Unit
MMD Multi-Family Attached Property	Not Applicable	_____	Acre
MHD Multi-Family Attached Property	Not Applicable	_____	Acre
Non-Residential Property	Not Applicable	_____	Acre

ATTACHMENT C
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates
(Fiscal Year 2020-2021)

Land Use Category	Residential Floor Area	2020-2021 Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾	Taxed Per
Small Lot Final Map Property:			
Single-Family Detached Property – SF/SFHD Zoning	Not Applicable	\$ _____	Residential Lot
Single-Family Detached Property – MLD Zoning	Not Applicable	_____	Residential Lot
Permit Ready Multi-Family/Non-Residential Property	Not Applicable	\$ _____	Acre
Large Lot Property	Not Applicable	\$ _____	Acre
Undeveloped Property	Not Applicable	\$ _____	Acre

- (1) Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates will be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates shall be increased by the Facilities Special Tax Escalation Factor of the Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates in effect for the previous Fiscal Year.

ATTACHMENT D
City of Folsom
Community Facilities District No. 23 (Folsom Ranch)
Improvement Area 6
Effective Tax Rate Evaluation Minimum Facilities Revenue
(Fiscal Year 2020-2021)

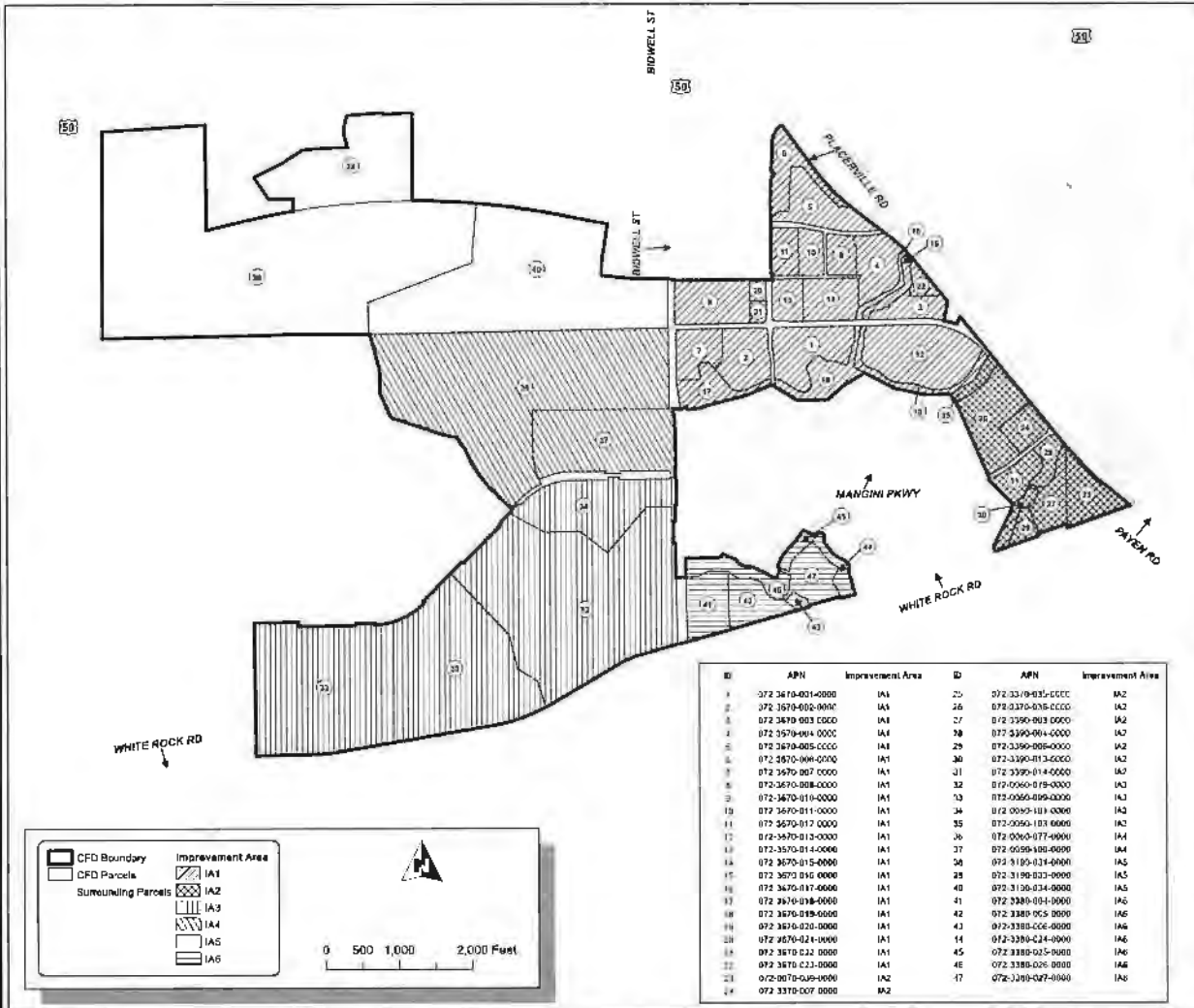
Land Use Category	Planned Number of Residential Units / Acres ⁽¹⁾	2020-2021 Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate ⁽¹⁾⁽²⁾⁽³⁾	2020-2021 Effective Tax Rate Evaluation Minimum Facilities Revenue ⁽¹⁾⁽²⁾⁽⁴⁾
Developed Property:			
Single-Family Detached Property – SF/SFHD Zoning ⁽⁵⁾	_____	\$ _____	\$ _____
Single-Family Detached Property – MLD Zoning ⁽⁵⁾	_____	_____	_____
MMD Multi-Family Attached Property	_____	_____	_____
MHD Multi-Family Attached Property	_____	_____	_____
Non-Residential Property	_____	_____	_____
Total Effective Tax Rate Evaluation Minimum Facilities Revenue			\$ _____

- (1) Planned Number of Residential Units/Acres, Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate and Effective Tax Rate Evaluation Minimum Facilities Revenue to be inserted following the Effective Tax Rate Evaluation.
- (2) On each July 1, commencing in the Fiscal Year after the Effective Tax Rate Evaluation occurs, the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue shall be increased by the Facilities Special Tax Escalation Factor of the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates and Effective Tax Rate Evaluation Minimum Facilities Revenue in effect for the previous Fiscal Year.
- (3) As a result of future Assessor's Parcel changes, described in Section C.3, the assigned Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates may exceed the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rates set forth in this table.
- (4) The total Effective Tax Rate Evaluation Minimum Facilities Revenue may be decreased as result of all or a portion of Effective Tax Rate Evaluation Maximum Facilities Special Tax obligations being prepaid and permanently satisfied pursuant to Section K.
- (5) Based upon the Developed Property Effective Tax Rate Evaluation Maximum Facilities Special Tax Rate for Single-Family Detached Property – SF/SFHD Zoning and Single-Family Detached Property – MLD Zoning with Residential Floor Area of less than 2,000 square feet.

ATTACHMENT 4

MAP OF PROPOSED BOUNDARIES CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 23 (FOLSOM RANCH)

CITY OF FOLSOM
COUNTY OF SACRAMENTO
STATE OF CALIFORNIA



ID	APN	Improvement Area	ID	APN	Improvement Area
1	072 3670-001-0000	IA1	25	072 3319-031-0000	IA2
2	072 3670-002-0000	IA3	26	072 3370-076-0000	IA2
3	072 3670-003-0000	IA1	27	072 3390-003-0000	IA2
4	072 3670-004-0000	IA1	28	072 3390-004-0000	IA2
5	072 3670-005-0000	IA1	29	072 3390-005-0000	IA2
6	072 3670-006-0000	IA1	30	072 3390-013-0000	IA2
7	072 3670-007-0000	IA1	31	072 3390-014-0000	IA2
8	072 3670-008-0000	IA1	32	072 3390-019-0000	IA2
9	072 3670-010-0000	IA1	33	072 3390-019-0000	IA2
10	072 3670-011-0000	IA1	34	072 3390-019-0000	IA2
11	072 3670-017-0000	IA1	35	072 3390-019-0000	IA2
12	072 3670-012-0000	IA1	36	072 3390-077-0000	IA2
13	072 3670-014-0000	IA1	37	072 3390-100-0000	IA2
14	072 3670-015-0000	IA1	38	072 3390-014-0000	IA2
15	072 3670-016-0000	IA1	39	072 3190-023-0000	IA5
16	072 3670-017-0000	IA1	40	072 3190-024-0000	IA5
17	072 3670-018-0000	IA1	41	072 3380-004-0000	IA6
18	072 3670-019-0000	IA1	42	072 3380-005-0000	IA6
19	072 3670-020-0000	IA1	43	072 3380-006-0000	IA6
20	072 3670-021-0000	IA1	44	072 3380-024-0000	IA6
21	072 3670-022-0000	IA1	45	072 3380-025-0000	IA6
22	072 3670-023-0000	IA1	46	072 3380-026-0000	IA6
23	072 3670-024-0000	IA2	47	072 3390-027-0000	IA6
24	072 3310-007-0000	IA2			

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF FOLSOM THIS _____ DAY OF _____ 20__

CITY CLERK
CITY OF FOLSOM
SACRAMENTO COUNTY, CALIFORNIA

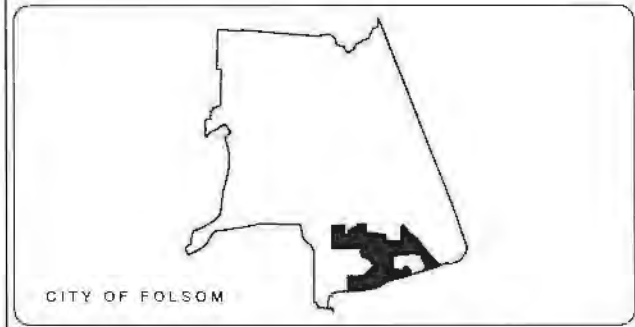
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF THE CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 23 (FOLSOM RANCH), CITY OF FOLSOM, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF FOLSOM, AT A MEETING THEREOF, HELD ON THE _____ DAY OF _____, 20__ BY ITS RESOLUTION NO. _____

CITY CLERK
CITY OF FOLSOM
SACRAMENTO COUNTY, CALIFORNIA

FILED THIS _____ DAY OF _____, 20__ AT THE HOUR OF _____ O'CLOCK _____ M, IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

COUNTY RECORDER
COUNTY OF SACRAMENTO, CALIFORNIA

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA



Source: Sacramento County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California II FIPS 4002 Feet



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Folsom City Council Staff Report



MEETING DATE:	4/14/2020
AGENDA SECTION:	New Business
SUBJECT:	Resolution No. 10410 - A Resolution of the City of Folsom Approving an Affordable Housing Loan in the Amount of \$4,150,000 from the City’s Housing Fund to Bidwell Place, LP, Authorizing the City Manager to Execute Loan Agreement and Related Documents, and Authorizing the use of Sewer Fee Credits for the Construction of 75 Affordable Housing Units at the Bidwell Place Multifamily Affordable Housing Development, and Appropriation of Funds
FROM:	Community Development Department

RECOMMENDATION / CITY COUNCIL ACTION

Move to Adopt Resolution No. 10410 - A Resolution of the City of Folsom Approving an Affordable Housing Loan in the Amount of \$4,150,000 from the City’s Housing Fund to Bidwell Place, LP, Authorizing the City Manager to Execute Loan Agreement and Related Documents, and Authorizing the use of Sewer Fee Credits for the Construction of 75 Affordable Housing Units at the Bidwell Place Multifamily Affordable Housing Development, and Appropriation of Funds.

BACKGROUND / ISSUE

On January 21, 2017, the Planning Commission approved the **Bidwell Pointe** Mixed-Use project, which is comprised of 140 multifamily housing units, of which 75% are dedicated as income-restricted affordable housing and 25% are unrestricted market rate apartments. The 140-residential-unit project includes seven “live/work” flex units allowing for tenants to conduct business from their homes, a ±800 square-foot ground floor commercial component and consists of multiple three-story wood-frame buildings with tuck-under parking. The

Bidwell Pointe project was financed with 4% non-competitive tax credits, tax-exempt bonds, developer equity, and a \$5.3 million loan from City.

In late 2019, the City received a proposal from St. Anton Communities, Inc. seeking City-funding for a proposed 75-unit 100% affordable project to be known as the **Bidwell Place Project** (“Project”), which expands on the developer’s mixed-use Bidwell Pointe development. The 3.24-acre project site is located at 403 E. Bidwell Street. Access to site is through E. Bidwell Street and there is a planned pedestrian pathway connecting the proposed Bidwell Place project to the Bidwell Pointe development. In addition to the proposed affordable residential units, the Project includes demolishing an approximately 8,860-square-foot portion of the existing commercial building located on the project site. Note: The developer has executed an agreement with the existing tenant, Bank of America, for Bank of America to remain a tenant during and after construction of the Bidwell Place project.

On March 18, 2020, the Planning Commission was scheduled to consider the design review application for the Bidwell Place project. However, the meeting was cancelled in response to the COVID-19 public health emergency and will be rescheduled for a future Planning Commission meeting as soon as practicable. Because the Bidwell Place project does not require any land use entitlement (land use is allowed by right), design review approval is not required prior to applying to the City Council for affordable housing assistance. Design review approval will be required prior to any building permit issuance and execution of a loan agreement with the City.

The proposed Bidwell Place project includes construction of three (3) three-story wood-framed apartment buildings that match the architectural style of the adjacent Bidwell Pointe development. The development includes nine studio units, 39 one-bedroom units, and 27 two-bedroom units. The individual apartment units range from 503-square feet (studio units) to 959-square feet (two-bedroom units). The Bidwell Place project provides a total of 167 parking spaces. Additional site improvements include underground utilities, trash enclosures, site lighting, and site landscaping.

In order to evaluate the developer’s funding request for Bidwell Place, the City engaged the services of TDA Consulting, Inc., a national provider of affordable housing consulting services, to provide technical assistance related to determining whether or not the Project’s proforma projections and City loan request were reasonable.

POLICY / RULE

Financial support of affordable housing projects is consistent with the City’s Housing Element Goal of facilitating affordable housing.

ANALYSIS

Affordable Housing Needs Analysis

The Bidwell Place project is a 75-unit 100% affordable multifamily, mixed use housing project on the 3.24-acre Bank of America site located on East Bidwell Street between Rumsey Way and Market Street (403 East Bidwell Street). The development includes studio, one, and two-bedroom floor plans, with a density of approximately 33.3 dwelling units per acre and will serve a mix of extremely low, very-low- and low-income households. The City's current Housing Element, which implements the City's "fair share" of the regional affordable housing needs allocated to the City by SACOG, calls for 1,218 very low-income units and 854 low-income units over the eight-year period from 2013 to 2021. This Project will provide 75 units toward meeting that goal.

Funding Analysis

In evaluating the applicant's request for an affordable housing loan in the amount of \$4.15 million to facilitate the development of a 75-unit affordable multifamily housing project, TDA conducted a detailed review of the developer's financial pro forma. The Project's assumptions, methodologies, and calculations were reviewed and evaluated for reasonableness and accuracy. In addition, secondary sources of information were consulted to confirm or validate the pro forma and additional information was requested of the Project developer to clarify or support specific items in the pro forma. TDA presented its analysis in a project review memo, which is attached to this staff report as Attachment #2.

The total project development costs are estimated to be approximately \$18.65 million with the majority of the funding assumed to come from a noncompetitive 4% Tax Credit Equity program and a permanent loan. The developer proposes that the City loan carry a three percent (3%) simple interest rate for a 35-year term. Furthermore, the developer proposes that the loan be repaid with an increasing share of residual cash flows, beginning in year 10 as indicated in the summary below, which is a common practice for repaying affordable housing loans.

Loan Terms

A term sheet outlining the conditions of the loan has been prepared and is included in the staff report (Attachment 3). Key specifics of this term sheet include:

1. Loan amount of \$4.15 million
2. 3% simple interest
3. 35-year repayment term
4. Repayment with increasing share of cash-flow as follows:
 - Years 0-10 = No payments
 - Year's 11-16 = 20% of residual cash flow
 - Year's 17-20 = 50% of residual cash flow

Years 21-30 = 70% of residual cash flow

Years 31-35 = 95% of residual cash flow

5. At expiration of the loan term, 100% of the principal balance of the loan and all accrued interest will be due and payable.

“Residual cash flow” is defined in the attached Loan Term Sheet, Section 8 of this staff report.

The City loan will be in second place, behind the permanent construction loan. Staff recommends that the first commitment of dollars be tied to the developer receiving approval of the other sources of funding.

Overall, TDA’s in-depth analysis of the Project financial pro formas and Project details indicates that the requested \$4.15 million dollar loan is reasonable. In addition, it is important to note that the per-unit cost for the City loan is \$55,333 per unit, which is comparable to the other affordable housing projects that have received financial assistance from the City: Bidwell Pointe project (\$53,000 per unit), Forestwood Apartment project (approximately \$54,545 per unit) and the Granite City Apartment project (approximately \$51,000 per unit). As such, the per-unit cost for the Bidwell Pointe project appears reasonable and is supported by staff.

Sewer Fee Credits

Concurrent with the requested affordable housing loan for the Bidwell Pointe project, staff is also recommending that the City Council authorize up to 60 sewer fee credits, which will reduce the developer’s construction cost and reduce the needed financial subsidy. Sewer credits are one of the City’s key economic development incentives and are used to reduce the costs of Sacramento Regional County Sanitation District (SRCSD) sewer connection fees in “new” and “infill” areas. The aim of this program is to help attract new business to Folsom as well as assist with the development of affordable housing and infill transit-oriented developments in the community by awarding SRCSD sewer connection credits to eligible projects. Sufficient credits are available in the program for this Project. As the Bidwell Place project meets the eligibility criteria, staff recommends approving up to 60 sewer fee credits for this Project.

Development Impact Fee Deferral

The developer has also requested deferral of City-imposed development impact fees (development impact fees from non-City agencies remain payable unless deferred by the imposing agency). Staff supports the developer’s request to defer the Project’s development impact fees under Chapter 16.60 of the Folsom Municipal Code, which allows the City Council to approve deferral of City-imposed development impacts fees not to exceed 75% of the total amount of the impact fees applicable to low income and/or very low income units in a “qualified residential project”. In order to be a “qualified residential project” under Chapter 16.60, the residential development project must have all required discretionary

development approvals and entitlements and include at least 10% of its total units affordable to very low income households, and at least 30% of its units affordable to low income households. The entire Bidwell Place project is a “qualified residential project”.

The total amount of City-imposed development impact fees applicable to the Bidwell Place project is approximately \$1,252,502.30, and 75% of that amount (equals \$939,376.73) is eligible for deferral. Pursuant to Section 16.60.030 and 16.60.040(F), the maximum fee deferral period is 15 months from the date of building permit issuance, and the deferred fees are due and payable upon the close of permanent loan financing or upon the expiration of the maximum fee deferral period, whichever is earlier. The processing and the deferral of development impact fees will comply with the requirements of Chapter 16.60 of the Folsom Municipal Code, and a development impact fee deferral agreement satisfactory to the City Attorney will be required in order to secure repayment of the deferred fees.

FINANCIAL IMPACT

Funding for the requested affordable housing loan for this project is available from the City’s Housing Fund (Fund 238) and is made up of \$150,000 of cash on hand and \$4,000,000 of bond proceeds from the issuance of City of Folsom Redevelopment Agency 2011B Housing bonds. An appropriation will be required in the amount of \$4,150,000. This funding source does not impact the City’s General Fund.

The above-identified funding will only be provided upon proof, satisfactory to the City, that the Developer has financing commitments from all other sources of project financing necessary to fund the Project including, but not limited to, an award from the Tax Credit Allocation Committee.

ENVIRONMENTAL REVIEW

The project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3)(Review for Exemption) of the CEQA Guidelines.

ATTACHMENTS

1. Resoluitiou No. 10410 - A Resolution of the City of Folsom Approving an Affordable Housing Loan in the Amount of \$4,150,000 from the City’s Housing Fund to Bidwell Place, LP, Authorizing the City Manager to Execute Loan Agreement and Related Documents, and Authorizing the Use of Sewer Fee Credits for the Constructioun of 75 Affordable Housing Units at the Bidwell Place Multifamily Affordable Housing Development, and Appropriation of Funds
2. TDA Memorandum (Financial Review of The Bidwell Place Project)
3. Loan Term Sheet
4. Site Plan and Project Rendering

Submitted,

A handwritten signature in blue ink, appearing to read "Pam Johns", with a long horizontal flourish extending to the right.

Pam Johns, Community Development Director

ATTACHMENT 1

Resolution No. 10410 - A Resolution of the City of Folsom
Approving an Affordable Housing Loan in the Amount of
\$4,150,000 from the City's Housing Fund to Bidwell Place, LP,
Authorizing the City Manager to Execute Loan Agreement and
Related Documents, and Authorizing the Use of Sewer Fee Credits
for the Construction of 75 Affordable Housing Units at the Bidwell
Place Multifamily Affordable Housing Development, and
Appropriation of Funds

RESOLUTION NO. 10410

A RESOLUTION OF THE CITY OF FOLSOM APPROVING AN AFFORDABLE HOUSING LOAN IN THE AMOUNT OF \$4,150,000 FROM THE CITY'S HOUSING FUND TO BIDWELL PLACE, LP, AUTHORIZING THE CITY MANAGER TO EXECUTE LOAN AGREEMENT AND RELATED DOCUMENTS, AND AUTHORIZING THE USE OF SEWER FEE CREDITS FOR THE CONSTRUCTION OF 75 AFFORDABLE HOUSING UNITS AT THE BIDWELL PLACE MULTIFAMILY AFFORDABLE HOUSING DEVELOPMENT PROJECT, AND APPROPRIATION OF FUNDS

WHEREAS, the developer of the proposed Bidwell Place project, located on East Bidwell Street between Rumsey Way and Market Street (403 East Bidwell Street), is in the process of securing the majority of funding necessary to build the 75-unit multifamily 100% affordable housing project in which units will be affordable to extremely-low, very-low and low income households; and

WHEREAS, the developer has requested an affordable housing loan from the City of Folsom in the amount of \$4,150,000 in order to assist with project financing; and

WHEREAS, providing financial assistance to affordable housing projects is consistent with the Goal H-3: Facilitating Affordable Housing in the City's Housing Element; and

WHEREAS, the request for an affordable housing loan of \$4,150,000 is appropriate given the project's costs and development expenses; and

WHEREAS, funding for the requested affordable housing loan is available from the City's Housing Fund (Fund 238); however, an appropriation will be required; and

WHEREAS, the term of the affordable housing loan will be 35 years at three percent simple annual interest, to be repaid with increasing shares of residual cash flow to be generated from the project (Years 0-10 = No payments, Years 11-16 = 20% of available cash flow, Years 17-20 = 50% of available cash flow, Years 21-30 = 70% of available cash flow, and Years 31-35 = 95% of available cash flow), with a lump sum of unpaid principal and interest due and payable on the 35th year; and

WHEREAS, receipt of all loan repayments will be deposited into the City's Housing Fund (Fund 238) and will be used to provide future assistance for affordable housing; and

WHEREAS, the City's commitment to provide the requested affordable housing loan to the project will help the project qualify and compete for additional financing from the Tax Credit Allocation Committee program; and

WHEREAS, the City desires to grant up to 60 sewer fee credits to the Bidwell Place project under the Sacramento Regional County Sanitation District sewer fee credit guidelines for

affordable housing projects.

NOW, THEREFORE BE IT RESOLVED THAT the City of Folsom does hereby approve an affordable housing loan, in the amount of \$4,150,000, to Bidwell Place, LP, to construct the 75-unit affordable multifamily project known as the Bidwell Place, located on East Bidwell Street between Rumsey Way and Market Street (403 East Bidwell Street), subject to the developer entering into an affordable housing loan agreement in a form acceptable to the City Attorney.

BE IT FURTHER RESOLVED to approve deferral of up to 75% of city imposed development impact fee applicable to the Bidwell Place project for up to 15 months from the date of building permit issuance, subject to developer entering into a development impact fee deferral agreement acceptable to the City Attorney.

BE IT FURTHER RESOLVED that the City Manager is authorized to execute an affordable housing loan agreement, and other related documents, consistent with and in furtherance of this Resolution.

BE IT FURTHER RESOLVED that the Finance Director is directed to appropriate \$4,150,000 from the City’s Housing Fund (Fund 238) for purpose of providing the affordable housing loan for the construction of the Bidwell Place project.

BE IT FURTHER RESOLVED that the City Manager is authorized to approve up to 60 sewer fee credits for the Bidwell Pointe project under the Sacramento Regional County Sanitation District sewer fee credit guidelines for affordable housing projects.

PASSED AND ADOPTED this 14th day of April 2020 by the following vote, to wit:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

ATTACHMENT 2
TDA Memorandum
(Financial Review of The Bidwell Place Project)

BIDWELL PHASE II – PRELIMINARY PROJECT REVIEW

Date: March 19, 2020

To: Stephanie Traylor Henry, Senior Planner, City of Folsom

From: Stephen Lathom, TDA Consulting
Peter Hughes, PZ Hughes & Associates



BACKGROUND: The City of Folsom (City) has engaged TDA Consulting, Inc. (TDA) to provide technical assistance related to the City’s administration of affordable housing funds. As part of TDA’s engagement with the City, we have reviewed information submitted by St. Anton Communities (St. Anton) in support of Bidwell Place (Bidwell), a proposed 75-unit multifamily affordable housing development, in an effort to develop an opinion on the reasonableness of St. Anton’s request for a \$4,150,000 investment of City affordable housing funds. This preliminary project review seeks to determine whether or not the current proforma projections are commercially reasonable in the context of the general market for affordable multifamily rental housing developed by employing a combination of debt, equity generated by the syndication of Low Income Housing Tax Credits (LIHTC), and gap funding from other state/local government sources.

It should be noted that at this stage, TDA’s review cannot be classified as “underwriting” of the Bidwell proposal. Underwriting would require the availability of substantially more information than is currently available, but this is not uncommon since developers are unlikely to invest in predevelopment costs ranging from market studies to architectural plans/specifications to other professional reports until their project concept has received conditional support for the City’s requested investment. As a result, TDA’s review is primarily based on whether or not St. Anton’s proforma and supporting documentation (e.g., letters of intent for financing, equity pricing, etc.), as submitted and taken largely at face value, are within market norms and likely to be achievable.

As part of our review, TDA transferred St. Anton’s proforma into an in-house format we use in similar engagements and for our underwriting training courses. Ensuring that bottom line figures (e.g. total operating and development costs, long-term cash flow projections, etc.) were consistent between the this format and St. Anton’s own financial projections helps validate the integrity and structure of the applicant’s proforma (sometimes with small variances due to differences in rounding or the like) and gives us the ability to more easily test the impact on the total project gap when considering alternative structuring assumptions (e.g. changes in DCR or interest rates and terms) and to evaluate the project’s ongoing viability by stress testing other assumptions (e.g. inflation or vacancy rates).

PROJECT SUMMARY: Bidwell is a proposed 75-unit, 100% affordable multifamily rental development to be located at 403 East Bidwell Street, Folsom, California, 95630 and will be comprised of nine (9) studio/one-bathroom units at 408 SF, 36 one-bedroom/ one-bathroom units at 621 SF, three (3) one-bedroom/one-bathroom units at 650 SF, and 27 two-bedroom/two-bathroom units at 892 SF. St. Anton intends to use LIHTC’s income averaging option whereby the average project unit must serve tenants at or below 60% AMI while some units allow tenants up to 80% AMI. To do so, they will designate four (4) units at 30% AMI, four (4) units at 50% AMI, 61 units at 60% AMI, and six (6) units at 80% AMI.¹

¹ See the “Mixed Income Pool” Alternative discussion later in the report for an alternative income targeting approach.

The project site is located in close proximity to multiple amenities. A grocery store, several banks/credit unions, a pharmacy, gas stations, and other neighborhood retail, entertainment and dining are all located within ½ mile radius from the site. The nearest public transportation stop is less than ¼ mile from Bidwell.

FINANCIAL REVIEW: While projects such as Bidwell are highly complex – taking advantage of multiple state, federal, and local programs intended to help provide housing at below-market rates that are (more) affordable to low-income tenants (as outlined above) – the initial financial evaluation can be distilled into five relatively simple questions:

1. Who does the project seek to serve, and what rents can, and will they pay given both regulatory requirements and market realities? (Revenue)
2. What will it cost to operate the project once built, including the need to set aside reserves for future capital repairs? (Operating Budget)
3. Will the project remain viable over time? (Long Term Proforma/Cash Flow)
4. What will it cost to develop the project? (Development Costs)
5. What sources are available? (Sources)

REVENUE: St. Anton currently projects rents for all units at +/-5% above the gross 2019 regulatory limits for LIHTC projects (established by limiting rent to 30% of XX% AMI based on imputed occupancy of 1.5 persons per bedroom). St. Anton's proforma indicates that this is to account for a forthcoming increase in the LIHTC rent limits for 2020. While somewhat speculative, the actual 2020 income and rent limits will be in place prior to the project's closing and can be re-validated at that point. These projections also include allowances for tenant-paid utilities of \$70/one-bedroom, \$78/two-bedroom, and \$100/three-bedroom unit calculated using the Sacramento Housing and Redevelopment Agency (SHRA) utility model schedule. St. Anton is also projecting \$231/unit/year in miscellaneous income (laundry, NSF, late fees, etc.) which is within our typical underwriting practice of limiting such revenue to no more than \$250/unit/year.

Vacancy is projected at 5% annually which is standard in California markets. This is supported by both the generally tight regional market for affordable multifamily rental housing and the fact that St. Anton's most recent development, Bidwell Pointe (aka Bidwell Phase I) is located less than 1/5 mile from Bidwell and is currently running at a 2% vacancy rate having received a certificate of occupancy less than 12 months ago.

OPERATING COSTS: While the operating expense projections provided by St. Anton are very clearly "early stage" numbers (i.e., limited chart of accounts, no current line-item expenses for repairs and maintenance, all budget numbers rounded to the nearest hundred, etc.), there is limited cause for concern for several reasons. First, St. Anton's property manager is an affiliated entity – St. Anton Multifamily – which affords some operating efficiencies that are otherwise difficult to obtain when employing a third-party property management firm. As an example, the property management fee for Bidwell is projected at 3%, while the industry standard is normally closer to 5%.

Second, though St. Anton's operating expense projection of \$4,529/unit/year falls \$271/unit short of the CTCAC required *minimum* of \$4,800/unit/year for non-elevator, multifamily buildings, CTCAC policy allows for a 15% reduction in operating expense budgeting through a waiver request process that requires St. Anton to submit letters of support from both banking

(debt) and investor (equity) partners consenting to the proposed budget. St. Anton applied for and was granted this waiver for their recently completed Bidwell Pointe project and is planning the same for this project.

Finally, St. Anton’s projections compare very favorably with several benchmarks for operating expense trends outlined in a Novogradac & Company study of LIHTC properties nationwide.² For example, 2017 operating expenses for new construction LIHTC properties were \$4,861/unit, for low-rise properties were \$4,904/unit, and for properties in California were \$5,244/unit. Yet, as noted below, even using the TCAC minimum standard (i.e. without a waiver), the project remains viable within industry norms.

LONG TERM PROFORMA/CASH FLOW: Bidwell’s 20-year cashflow projection is both viable and sustainable. Revenues are projected to grow at 2% and operating expenses at 3% – both standard metrics for new construction LIHTC developments. As submitted, debt service coverage is 1.15 in year-one, 1.30 in year-ten, and 1.46 in year-twenty. If we “stress” Bidwell by including a placeholder for additional operating expenses of \$271/unit (i.e., to meet the CTCAC non-waiver minimum), debt service ratios decline but still meet what we would consider the low-end for industry standard threshold underwriting criteria – 1.11 in year-one, 1.23 in year-ten, and 1.37 in year-twenty.

Additionally, and perhaps most importantly from the City’s perspective, the 20-year cashflow projects just more than \$1.55M in “free” surplus cash after the repayment of the entire deferred developer fee. This would, if accurate, allow for at least the partial repayment of the City’s loan (depending on the City’s loan terms and repayment provisions) which could then be deployed as a gap financing source into future affordable housing projects

DEVELOPMENT COSTS: Total development costs (outlined in the table below) are just short of \$18.65M or ~\$250K/unit. These projections are significantly lower than the statewide average for new construction 4% LIHTC transactions. Here again, the fact that St. Anton is vertically integrated and employs an identity of interest general contractor – Hurley Contractors (Hurley) – along with its reportedly good track record from the City’s standpoint on its prior project – substantially mitigates TDA’s concern about cost projections. According to St. Anton development staff, Hurley builds exclusively for St. Anton; employing the same labor force and subcontractors for all multifamily projects. These factors allow for economies of scale across projects and, when staged in geographical and temporal proximity to other St. Anton projects (e.g., Bidwell Pointe) for procurement and staging efficiencies that would otherwise add costs. In addition to these factors, St. Anton notes that in its perspective the City has a progressive stance on limiting impact fees for affordable housing projects – further driving down total costs.

FUNDING SOURCES: St. Anton proposes an overall permanent capital mix (outlined in the table below) which includes a tax-exempt bond first mortgage of \$7.4M, equity generated from the sale of LIHTC of ~\$6.33M, the City’s loan of affordable housing funds of \$4.15M, net operating income during lease-up of \$125K, deferred interest of \$249K, and a deferred developer fee of ~\$391K. While non-binding (due to the early stage of the development process), St. Anton has provided letters of interest from Bank of America for both the construction/permanent debt as well as the syndication of 4% LIHTC.

² Novogradac 2019 Multifamily Rental Housing Operating Expense Report: Survey and Analysis of LIHTC Properties.

The current projection for LIHTC pricing at \$1.01/credit is strong given the national average as currently published by Novogradac is \$0.94/credit. This is indicative of both a highly competitive LIHTC syndication market in California and, by extension, strong demand for the delivery of affordable housing units in the Sacramento MSA of which the City of Folsom is a part.

Further, the portion of St. Anton’s developer fee that is deferred represents 21% of the total developer fee. Based on current 20-year cash flow projections, this portion of deferred fee will be fully repaid during the eighth year of stabilized operations which is within normal expectations of equity investors. This is a positive indication that St. Anton is committed to the long-term operational and programmatic viability of Bidwell.

Development Costs	Total	Per Unit	% of Total	Per Sq. Ft.
Acquisition	\$2,250,000	\$30,000	12.1%	
Site Work and Construction	\$9,643,745	\$128,583	51.7%	\$185.34
Soft Costs	\$2,713,913	\$36,186	14.6%	
Financing Costs	\$1,731,684	\$23,089	9.3%	
Reserves & Start Up	\$408,204	\$5,443	2.2%	
Developer Fee	\$1,900,000	\$25,333	10.2%	
Total Development Costs	\$18,647,546	\$248,634	100.0%	\$358.38

Sources	Total	Per Unit	% of Total
Mortgage	\$7,400,000	\$98,667	39.7%
LIHTC Equity	\$6,332,078	\$84,428	34.0%
City of Folsom Loan	\$4,150,000	\$55,333	22.3%
Lease-Up NOI	\$125,480	\$1,673	0.7%
Deferred Interest	\$249,000	\$3,320	1.3%
Deferred Developer Fee	\$390,988	\$5,213	2.1%
Total Sources	\$18,647,546	\$248,634	100.0%

Gap (or Surplus)	(\$0)	(\$0)	0.0%
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“MIXED INCOME POOL” ALTERNATIVE: Following its initial submission to the City and TDA, which forms the basis for the project and financial descriptions in the report thus far, St. Anton has also proposed an alternative financial model. The material difference between the original proposal (under the “General Pool” competition for tax-exempt debt from the California Debt Limit Allocation Committee) and the second option (under the “Mixed Income Pool”) is in the unit mix of income/rent limitations. The impetus is the apparent likelihood that the Mixed Income Pool may be less competitive than the General Pool, thereby increasing the chances that Bidwell is selected for tax-exempt financing and the resulting 4% LIHTC that come largely by right with such debt.

In the initial General Pool configuration, as noted in the Project Description section above, the project would include four (4) units at 30% AMI, four (4) units at 50% AMI, 61 units at 60% AMI, and six (6) units at 80% AMI. The average unit’s income and rent target would be at 59.19% AMI. Alternatively, the Mixed Income Pool configuration would still designate four (4) units at 30% AMI but include 33 units at 50% AMI and 38 units at 70% AMI. In this iteration, the average unit would be restricted at 58.92% AMI.

We have evaluated St. Anton’s projections for each configuration, and in our judgement the differences are not material to the evaluation of financial feasibility. The Mixed Income Pool configuration would produce marginally less gross rent potential (on the order of less than 1%). That shift cascades through the proforma in subtle ways. Reduced rent potential, all else being equal, reduces net operating income and therefore supportable first mortgage debt. That variation, however, is also quite muted and would be offset by increasing the deferred developer fee.

Given the rapid lease up of St. Anton’s last project and the tightness of California’s rental markets in general, it is reasonable to assume that either configuration will quickly lease up and stabilize. Consequently, at this stage the two potential unit mix configurations are interchangeable. The financial variation in the sources and uses is muted and manageable.

ANALYSIS & CONCLUSIONS: Based upon our review of the proforma projections and supporting documents provided by St. Anton we believe the Bidwell project, while still accounting for the preliminary nature of this review, is generally structured within broadly accepted industry norms for multifamily affordable housing transactions. St. Anton’s successful track record with previous multifamily affordable housing developments provides an additional measure of confidence in their proposal. Likewise, concerns we might otherwise have about operating expenses and development costs projected at the lower end of industry averages in the State of California are, in our opinion, substantially mitigated by the somewhat soft nature of the commitment the City would be providing at this stage. A preliminary award of local affordable housing funds will allow St. Anton to proceed with securing the other firm financing commitments needed and proceeding to invest time, effort, and working capital in the additional due diligence that will be needed to validate the achievability of these figures. Put another way, unless St. Anton can deliver, the City will not close and therefore is not putting any of its funding at risk.

IMPACT OF CORONAVIRUS PANDEMIC: Finally, we note that during the course of TDA’s review of this project the novel coronavirus (COVID-19) has emerged as a pandemic and is rapidly spreading within the United States. The near term social and economic impacts of the disease are already substantial, and the longer-term effects are likely to be far reaching. It would be hubris on our part to predict, let alone with any degree of precision, what the midterm and long-term impacts will be on the economic feasibility of the project. Accordingly, the analysis within the report is based on the admittedly hypothetical scenario that the macroeconomic environment (e.g. interest rates, income distributions, labor costs, etc.) will quickly return to “pre-virus” conditions. We note, however, that no matter the capital and development financing context that may make construction challenging in the upcoming months, there is little doubt given the preexisting shortage of affordable housing that the need for safe, decent, affordable housing will continue and likely increase.

ATTACHMENT 3
Loan Term Sheet

Loan Term Sheet
Bidwell Place Apartments
City of Folsom
March 19, 2020

1. Lender: City of Folsom, a municipal corporation
2. Borrower: Bidwell Place, LP, a California limited partnership – To Be Formed
 - i. General Partners
 1. St. Anton Bidwell Place, LLC (Co-GP) – To Be Formed
 2. PacH Anton South Holdings, LLC (Managing GP) (Parent Company: Pacific Housing, Inc.)
 3. TBD – Tax Credit Investor
3. Loan Amount: \$4,150,000
4. Purpose: Construction and operation of a 75-unit rental housing community of which 100% of the units will be affordable and deed restricted for 55 years. The planned affordability mix varies between 30% and 80% AMI.
5. Timing of Funding: The City’s loan will be funded in conjunction with the primary construction loan.
6. Interest Rate: 3% per annum
7. Annual Payments: Repayment of the principal amount of the loan together with accrued interest will be as follows:
 - a. No principal and interest payment for the first ten (10) years after the project receives a certificate of occupancy,
 - b. To the extent “Residual Cash Flow” exists, principal and interest payments equal to twenty percent (20%) of “Residual Cash Flow” beginning on April 1st following the tenth (10th) anniversary of the date the project received a certificate of occupancy for a period of six (6) years,
 - c. To the extent “Residual Cash Flow” exists, principal and interest payments equal to fifty percent (50%) of “Residual Cash Flow” beginning on April 1st following the sixteenth (16th) anniversary of the date the project received a certificate of occupancy for a period of four (4) years,
 - d. To the extent “Residual Cash Flow” exists, principal and interest payments equal to seventy percent (70%) of “Residual Cash Flow” beginning on April 1st following the twentieth (20th) anniversary of the date the project received a certificate of occupancy for a period of ten (10) years
 - e. To the extent “Residual Cash Flow” exists, principal and interest payments equal to ninety-five percent (95%) of “Residual Cash Flow” beginning on April 1st following the thirtieth (30th) anniversary of the date the project received a certificate of occupancy until the loan is fully repaid
8. Residual Cash Flow: Residual Cash Flow is identified as all income generated by the project after:
 - a. Payment of typical operating expenses for the project, including:
 - i. Property management fee not to exceed fees which are standard in the industry

- ii. Advertising, legal, accounting, security, and other general office administration expenses
 - iii. Payroll, benefits, and payroll taxes
 - iv. All utilities
 - v. All repair and maintenance costs
 - vi. Property insurance
 - vii. Property taxes
- b. Replacement reserve replenishment: cash deposited into a reserve for capital replacements of project improvements in such reasonable amounts as are required by the project lenders and/or tax credit investor
 - c. Senior mortgage debt service
 - d. Payment of an Asset Management Fee anticipated to be in the amount of \$10,000 for the first year and escalating at no more than 3% per year thereafter
 - e. Payment of a Managing General Partner fee to the non-profit Managing General Partner for their management duties in the amount of 1% of the effective gross income generated by the affordable units capped at \$32,000 for the first year and an escalating cap at no more than 2% per year thereafter
 - f. Payment of any Deferred Developer Fee currently estimated to be \$568,135

These categories as listed above shall not materially change without written approval of the City for the purposes of calculating the annual payment.

- 9. Term: 35 years. Balance of loan will be due on sale.
- 10. Balloon Payment: At the expiration of the loan term, 100% of the principal balance of the loan and all accrued interest will be due.
- 11. Refinancing: In the event of refinancing, the City will subordinate to the new senior loan on substantially similar terms as the original financing, including a minimum requirement of a 1.15 Debt Service Coverage Ratio.
- 12. Conditions: The funding of the City loan is conditioned on the following:
 - a. The project has closed on all funding sources necessary to develop the project pursuant to the pro forma, including the construction loan and 4% tax credit equity and has secured the unconditional commitment of the permanent loan
 - b.
 - c. The Borrower has purchased fee ownership of the land (the developer currently holds fee simple title of the land)
 - d. In the event of cost overruns in development of the project, the Developer will defer as much of its estimated developer fee as IRS requirements permit prior to requesting any additional funding from the City.
- 13. Reporting: Borrower will provide the City with annual audited financial statements for the project demonstrating compliance with the formula for the distribution of residual cash flow.
- 14. Security: City's loan will be secured by a deed of trust junior to construction and permanent financing sources set forth. Notwithstanding, the deed restriction in favor of the City imposing affordability requirements must be recorded senior to all other liens and/or security instruments securing loans against

the project, including any deeds of trust otherwise senior to the City's deed of trust, and enforceable against all successors in interest to Owner. The City's deed restriction may be junior to the land use restriction agreement (LURA) or other similar instrument resulting from the award of state or federal Low-Income Housing Tax Credits.

ATTACHMENT 4
Site Plan and Project Rendering



Vicinity Map
N.T.S.

SHEET INDEX

- ARCHITECTURE:**
 A0.1 COVER SHEET
 A1.0 SITE PLAN
 A1.1 FIRE APPARATUS ACCESS EXHIBIT
 A2.0 BUILDING ELEVATIONS
 A2.1 BUILDING ELEVATIONS
 A2.2 BUILDING ELEVATIONS
 A3.1 BUILDING PLANS
 A3.2 BUILDING PLANS
 A5.1 ENLARGED PLANS - UNIT PLANS
 A6.1 RENDERINGS
 A6.2 RENDERINGS
 A6.3 RENDERINGS
 A7.1 MATERIAL BOARD
- CIVIL:**
 C1 PRELIMINARY GRADING AND DRAINAGE PLAN
 C2 PRELIMINARY UTILITY PLAN
 C3 PRELIMINARY DEMOLITION PLAN
- LANDSCAPE:**
 L1.0 CONSTRUCTION PLAN
 L1.1 PLANTING PLAN



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ST. ANTON
 COMMUNITIES

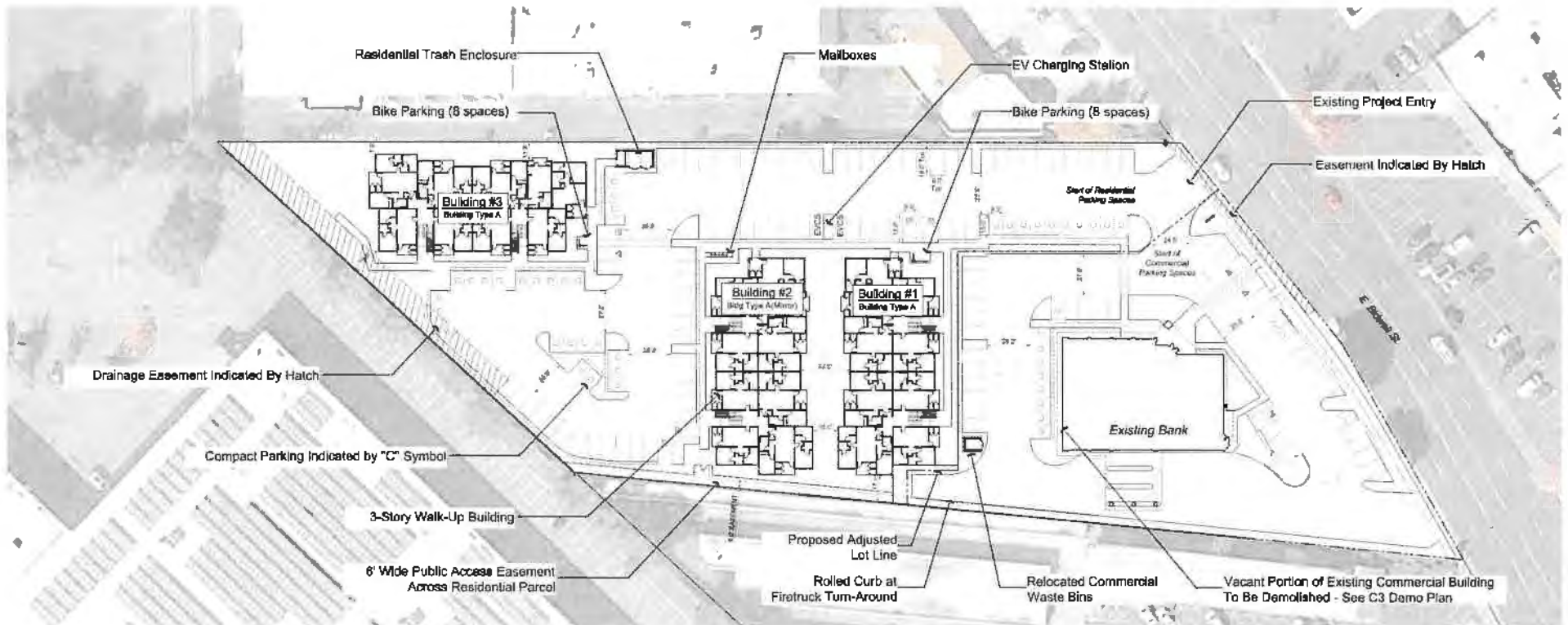
St. Anton Communities
 18211 Street, Suite 200
 Sacramento, CA 916 471 3000

BIDWELL PLACE
 FOLSOM, CA # 2019 0786

CONCEPTUAL DESIGN
 MARCH 9TH, 2020

COVER SHEET
 SHEET INDEX

A0.1



Site Plan

Project Data

Address
403 E. Bidwell St., Folsom, CA 95630

Existing Land Use Designation
East Bidwell Corridor (EBC) Overlay

Gross Site Area ± 3.24 Acres
Unit Count 75 Units
Gross Res. Density 23.1 Units/ Acre

New Building Summary:

(3) Three-Story Construction Type VB Apartment Buildings

Unit Type:	Beds/Baths	DUs	Ratio
PD-1	Studio/1 Bath	0	12.0%
P1-1	1 Bed/1 Bath	36	48.0%
P1-2	1 Bed/1 Bath	3	4.0%
P2-1	2 Bed/2 Bath	27	36.0%
		75 Units	

Proposed Parking

Residential Parking:	Standard	Access	Total
Compact Open	34		34 spaces
Standard Open	78	06	84 spaces
Open (EV Charging)	2		02 spaces
			120 spaces
			1.60 space/DU

Commercial Parking:	Standard	Access	Total
Compact Open	12		12 spaces
Standard Open	32	3	35 spaces
			47 spaces

Bike Parking:	Req'd	Proposed
Class II	15 spaces	16 spaces
	1 space/ 5 units	



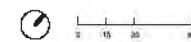
Architecture + Planning
956.456.4444
kitgy.com



St. Anton Communities
1801 I Street, Suite 200
Sacramento, CA 95811-4711 3000

BIDWELL PLACE
FOLSOM, CA # 2019-0766

CONCEPTUAL DESIGN
MARCH 9TH, 2019

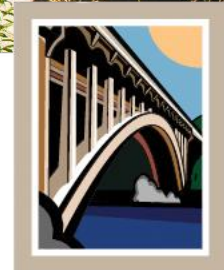


SITE PLAN

A1.0

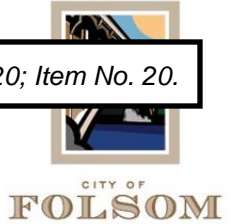


Resolution 10410 Bidwell Place Housing Loan and Sewer Fee Credit



Background

04/14/2020; Item No. 20.

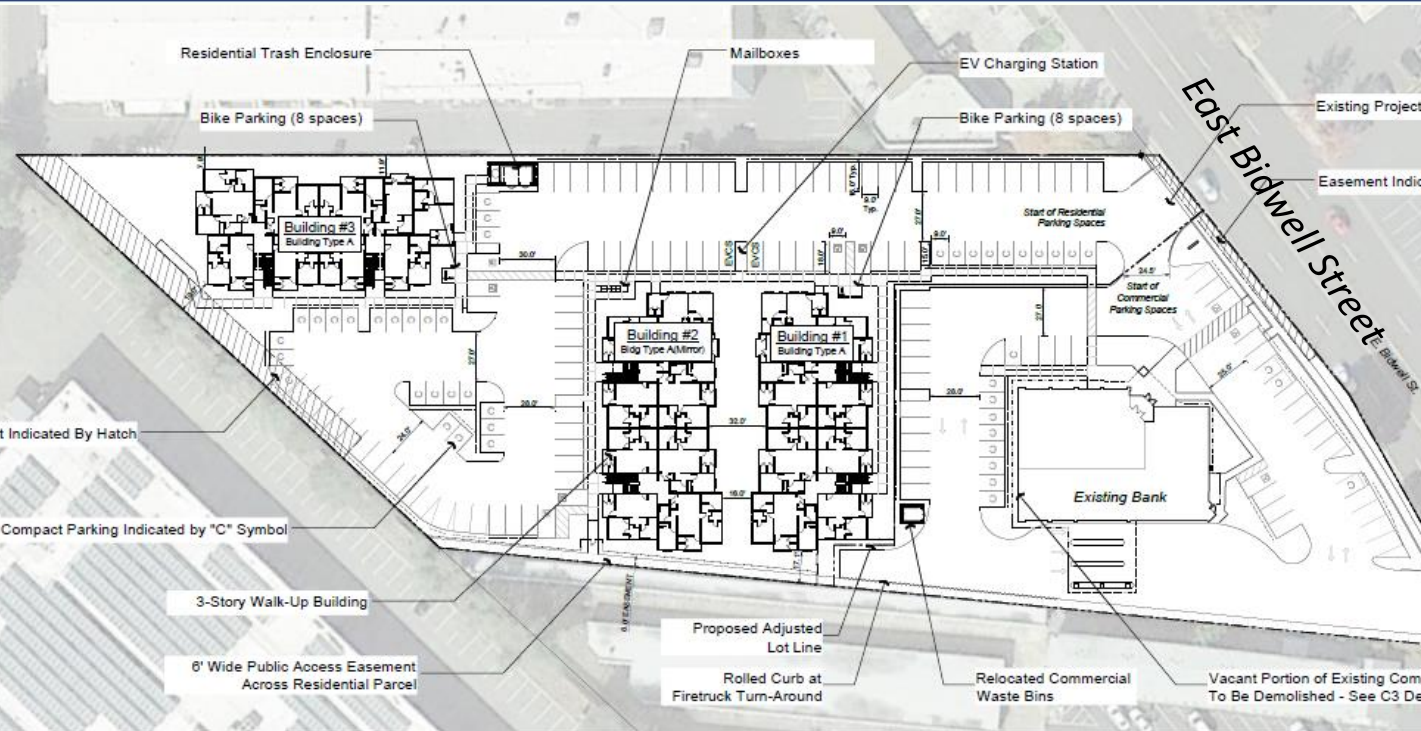
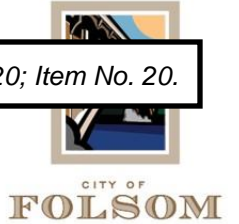


- **Previous Bidwell Point Project:**
 - Approved in 2017, constructed in 2019
 - 140 multifamily units (75% affordable/25% market rate), including 7 live/work flex units and 800+ sf of commercial space
 - Financed with 4% non-competitive tax credits, tax-exempt bonds, developer equity and \$5.3M loan from City's Housing Fund
- **Proposed Bidwell Place Project:**
 - "Phase 2" of Bidwell Point with shared pedestrian access and shared amenities
 - 75 multifamily units (100% affordable), including 9 studio units, 39 one-bedroom units and 27 two-bedroom units
 - Requesting \$4.15M loan from City's Housing Fund



Bidwell Place Site Plan

04/14/2020; Item No. 20.



Existing Bidwell Point Project

Proposed Bidwell Place Project



Portion of existing Bank of America building to remain

Project Data

Address
403 E. Bidwell St., Folsom, CA 95630

Existing Land Use Designation
East Bidwell Corridor (EBC) Overlay

Gross Site Area ± 3.24 Acres
Unit Count 75 Units
Gross Res. Density 23.1 Units/ Acre

New Building Summary:

(3) Three-Story Construction Type VB Apartment Buildings

Unit Type:	Beds/Baths	DUs	Ratio
P0-1	Studio/1 Bath	9	12.0%
P1-1	1 Bed/1 Bath	38	48.0%
P1-2	1 Bed/1 Bath	3	4.0%
P2-1	2 Bed/2 Bath	27	36.0%
		75 Units	

Proposed Parking

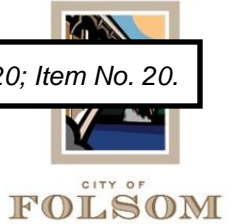
Residential Parking:	Standard	Access	Total
Compact Open	34		34 spaces
Standard Open	78	06	84 spaces
Open (EV Charging)	2		02 spaces
			120 spaces
			1.60 space/DU

Commercial Parking:	Standard	Access	Total
Compact Open	12		12 spaces
Standard Open	32		

Bike Parking:	Req'd	Total
Class II	15 spaces	16 spaces
	1 space/ 5 units	

Housing Loan Request

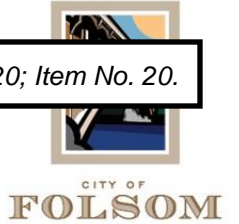
04/14/2020; Item No. 20.



- Developer Pro Forma analyzed by City's consultant (TDA) for reasonableness and accuracy of assumptions, methods, and calculations
- TDA found the requested \$4.15M loan is reasonable and comparable to other City approved per unit loans:
 - **Proposed Bidwell Place Project: \$55,333 per affordable unit**
 - Bidwell Point Project: \$53,000 per affordable unit
 - Forestwood Apartment Project: \$54,545 per affordable unit
 - Granite City Apartment Project: \$51,000 per affordable unit

Loan Terms

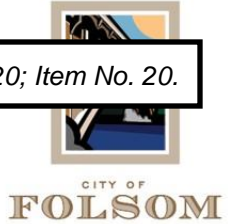
04/14/2020; Item No. 20.



- Loan Amount \$4.15 million
- 3% simple interest
- 35-year repayment term with increasing share of cash-flow:
 - Years 0 – 10 = no payments
 - Years 11 – 16 = 20% of available cash flow
 - Years 17 – 20 = 50% of available cash flow
 - Years 21 – 30 = 70% of available cash flow
 - Years 31 – 35 = 95% of available cash flow
- 100% of principal balance + accrued interest due at expiration of loan term

Sewer Fee Credit Request

04/14/2020; Item No. 20.

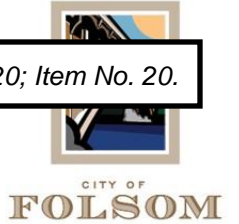


Request to authorize up to 60 sewer fee credits:

1. Project meets project goals to assist with the development of affordable housing
2. Sewer fee credits are one of the City's primary economic development incentives
3. Reduces construction cost and corresponding financial subsidy
4. Sufficient credits are available in the program

Development Impact Fee Deferral

04/14/2020; Item No. 20.

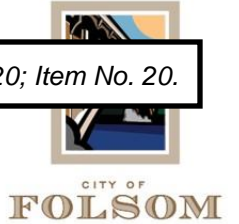


Folsom Municipal Code Chapter 16.60 allows City Council to approval deferral of up to 75% of City-imposed development impact fees qualified residential projects.

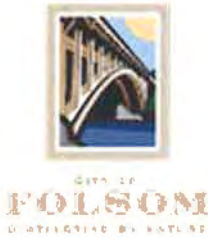
1. Project is a qualified residential project with 100% affordable units
2. Total estimated development impact fee is ~\$1.25M (75% is ~\$940K)
3. Max fee deferral period is 15 months from building permit issuance

Recommendation

04/14/2020; Item No. 20.



Adopt Resolution No. 10410 - A Resolution of the City of Folsom Approving an Affordable Housing Loan in the Amount of \$4,150,000 from the City's Housing Fund to Bidwell Place, LP, Authorizing the City Manager to Execute Loan Agreement and Related Documents, and Authorizing the use of Sewer Fee Credits for the Construction of 75 Affordable Housing Units at the Bidwell Place Multifamily Affordable Housing Development, and Appropriation of Funds



Folsom City Council Staff Report

MEETING DATE:	4/14/2020
AGENDA SECTION:	New Business
SUBJECT:	Resolution No. 10417 - A Resolution Approving the Transportation Expenditure Plan for the Proposed Sacramento County 2020 Transportation Sales Tax Ballot Measure
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends that the City Council pass and adopt Resolution No. 10417 - A Resolution Approving the Transportation Expenditure Plan for the Proposed Sacramento County 2020 Transportation Sales Tax Ballot Measure, in the form hereto attached (Attachment 2), as tentatively adopted by the Sacramento Transportation Authority (STA) Board of Directors.

BACKGROUND / ISSUE

The STA is considering the adoption of an ordinance that will impose an additional countywide, 40-year, half-cent sales tax for “fix-it-first” priority infrastructure repairs, transportation/transit capital improvements and ongoing roadway, traffic, and transit maintenance and operational programs. The sales tax ordinance would also need to be approved by a two-thirds vote of the electorate in the November 2020 General Election. The STA has tentatively adopted a Transportation Expenditure Plan (Expenditure Plan) that governs the expenditure of revenues from the proposed sales tax. Before the STA Board may adopt the sales tax ordinance, the Expenditure Plan must first be approved by the County Board of Supervisors and the City Councils representing both a majority of the cities in the County and a majority of the population residing in the incorporated areas of the County.

POLICY / RULE

Section 180206 of the California Public Utilities Code requires that, before the STA Board may adopt the sales tax ordinance and Expenditure Plan, the Expenditure Plan must first be approved

by “the Board of Supervisors and the City Councils representing both a majority of the cities in the County and a majority of the population residing in the incorporated areas of the County.”

ANALYSIS

The STA administers the countywide self-help transportation funds approved by voters. These revenues are allocated for transportation/transit capital improvements and ongoing roadway, traffic, and transit maintenance and operational programs. On May 14, 2020 STA will consider the adoption of an ordinance that will impose an additional countywide, 40-year, half-cent sales tax for “fix-it-first” priority infrastructure repairs, transportation/transit capital improvements and ongoing roadway, traffic, and transit maintenance and operational programs. If adopted by the STA Board and subsequently placed on the ballot by the Board of Supervisors, the sales tax ordinance would also need to be approved by a two-thirds vote of the electorate in the November 2020 General Election.

As part of the sales tax ordinance, STA must also adopt an Expenditure Plan that governs the expenditure of revenues from the sales tax. The Expenditure Plan establishes revenue allocation percentages, expenditure categories and particular capital projects that will receive funding from the sales tax measure. State law requires that, before the STA Board may adopt the sales tax ordinance and Expenditure Plan, the Expenditure Plan must first be approved by “the Board of Supervisors and the City Councils representing both a majority of the cities in the County and a majority of the population residing in the incorporated areas of the County.” (Cal. Public Utilities Code, § 180206)

For the past year, the STA worked with a Professional Advisory Group (PAG) comprised of staff members from interested stakeholders from across the county, including staff from the County or City. The Expenditure Plan includes the funding priorities identified by the PAG and reflects the consensus of the PAG and the STA Board. The STA Board tentatively adopted the Expenditure Plan on March 18, 2020. Once STA obtains the necessary County and City approvals of the Expenditure Plan, it will consider final adoption of the sales tax ordinance and Expenditure Plan and forward the Measure to the Board of Supervisors for placement on the November ballot.

The recommended action provides the County Board/City Council's approval of the Expenditure Plan. The County and Cities must either approve or deny the Expenditure Plan as tentatively adopted by the STA Board, and may not enact revisions or propose changes to the content of the attached Expenditure Plan. The current schedule for review by the various local agencies in Sacramento County is as follows:

City of Sacramento	March 24, 2020
City of Rancho Cordova	April 6, 2020
County of Sacramento	April 7, 2020
City of Galt	April 7, 2020
City of Elk Grove	April 8, 2020
City of Citrus Heights	April 9, 2020

City of Folsom
City of Isleton

April 14, 2020
April 28, 2020

FINANCIAL IMPACT

The recommended action has no fiscal impact to the County or City budget. The proposed sales tax measure, if approved by voters, is anticipated to generate an estimated \$8.4 billion in funding for Sacramento County over 40 years for transportation maintenance, operations and capital improvement projects.

ENVIRONMENTAL REVIEW

None required.

ATTACHMENTS

1. Resolution No. 10417 - A Resolution Approving the Transportation Expenditure Plan for the Proposed Sacramento County 2020 Transportation Sales Tax Ballot Measure.
2. Proposed Transportation Expenditure Plan
3. Local Projects of Regional Significance – City of Folsom
4. Benefits of the Sacramento County Measure A Transportation Sales Tax Expenditure Plan
5. Copy of Presentation by STA Staff

Submitted,



Dave Nugen, Public Works Director

Attachment 1
Resolution No. 10417

RESOLUTION NO. 10417

A RESOLUTION APPROVING THE TRANSPORTATION EXPENDITURE PLAN FOR THE PROPOSED SACRAMENTO COUNTY 2020 TRANSPORTATION SALES TAX BALLOT MEASURE

WHEREAS, the Sacramento Transportation Authority (STA) administers the countywide self-help transportation funds approved by voters. These revenues are allocated for transportation/transit capital improvements and ongoing roadway, traffic, and transit maintenance and operational programs; and

WHEREAS, on May 14, 2020 STA will consider the adoption of an ordinance that will impose an additional countywide, 40-year, half-cent sales tax for “fix-it-first” priority infrastructure repairs, transportation/transit capital improvements and ongoing roadway, traffic, and transit maintenance and operational programs. If adopted by the STA Board, the sales tax ordinance would also need to be approved by a two-thirds vote of the electorate in the November 2020 General Election; and

WHEREAS, as part of the sales tax ordinance, STA must also adopt a Transportation Expenditure Plan (Expenditure Plan) that governs the expenditure of revenues from the sales tax. The Expenditure Plan establishes revenue allocation percentages, expenditure categories and particular capital projects that will receive funding from the sales tax measure. The Expenditure Plan was tentatively adopted by the STA on March 18, 2020; and

WHEREAS, State Law requires that, before the STA Board may adopt the sales tax ordinance and Expenditure Plan, the Expenditure Plan must first be approved by “the Board of Supervisors and the City Councils representing both a majority of the cities in the County and a majority of the population residing in the incorporated areas of the County.” (Cal. Public Utilities Code, § 180206.); and

WHEREAS, for the past year, the STA worked with a Professional Advisory Group (PAG) comprised of staff members from interested stakeholders from across the county, including staff from the Department of Transportation/Public Works Department. The Expenditure Plan includes the funding priorities identified by the PAG and reflects the consensus of the PAG and the STA Board; and

WHEREAS, once STA obtains the necessary County and City approvals of the Expenditure Plan, it will consider final adoption of the sales tax ordinance and Expenditure Plan and forward the Measure to the Board of Supervisors for placement on the November ballot; and

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the City Council of the City of Folsom hereby approves the Transportation Expenditure Plan for the proposed 2020 transportation sales tax ballot measure, in the form hereto attached (Attachment 1), as tentatively adopted by the STA.

PASSED AND ADOPTED this 14th day of April, 2020, by the following roll-call vote:

- AYES:** Council Member(s):
- NOES:** Council Member(s):
- ABSENT:** Council Member(s):
- ABSTAIN:** Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

Attachment 2

Proposed Transportation Expenditure Plan

Proposed Measure A Transportation Expenditures

04/14/2020; Item No. 21.

DRAFT

version 2.9

(in millions of dollars)

			40-Year Total
Total Estimated Expenditures			8,378.28
Regional Mobility Center (off the top)	0.00%	\$	20.00
American River Parkway (off the top)	0.00%	\$	63.00
TMA (off the top)	0.00%	\$	8.00
Rail Operations (off the top)	0.00%	\$	120.00
• Commuter Rail Service Enhancements (ACE)		\$	80.00
• Sacramento Intermodal Transit Facility (Sacramento)		\$	40.00
Administration (off the top)	1.00%	\$	83.78
Total off the top			294.78
Total Estimated Revenue to Allocate by percentage			8,083.50
Local Streets & Roads	47.95%	\$	3,876.00
Local Street/Road Repair & Transformative System Improvements	39.29%	\$	3,176.00
• Citrus Heights	5.29%	\$	168.05
• Elk Grove	10.99%	\$	348.79
• Folsom	5.29%	\$	168.05
• Galt	1.70%	\$	53.90
• Isleton (fixed allocation)	Fixed Amount	\$	2.00
• Rancho Cordova	5.09%	\$	161.71
• Sacramento	31.27%	\$	992.47
• Sacramento County	40.36%	\$	1,281.01
Local Projects of Regional Significance	8.66%	\$	700.00
• Citrus Heights	3.60%	\$	25.20
• Elk Grove	10.20%	\$	71.40
• Folsom	10.50%	\$	73.50
• Galt	1.20%	\$	8.40
• Isleton	0.10%	\$	0.70
• Rancho Cordova	10.50%	\$	73.50
• Sacramento	30.20%	\$	211.40
• Sacramento County	33.70%	\$	235.90
SacRT Maintenance, Operations, and Transformative System Improvements	21.90%	\$	1,770.00
• Basic State of Good Repair, Bus Replacement, Safety & Security			
• Fare subsidy program for students, seniors, and low-income			
• Low-floor trains systemwide			
• ADA Upgrades for Bus and Rail		\$	1,770.00
• Zero Emission Vehicle Shuttles			
• Maintenance and Operations of New Light Rail Projects			
• Florin Station TOD Partnership			
• Smart Ride Microtransit Program			
Congestion Relief Improvements	24.86%	\$	2,010.00
Transit & Rail Congestion Improvement Projects	13.11%	\$	1,060.00
• LRT Gold Line express service			
• LRT Green Line extension (Township 9–Natomas–Arena Blvd)		\$	485.00
• LRT extensions to Elk Grove and Folsom			
• BRT Watt Ave, Stockton Blvd and Sunrise Blvd (Citrus Heights and Rancho Cordova)			
• Increased routes and frequencies for both bus and light rail operations		\$	575.00
Highway Congestion Improvement Projects	11.75%	\$	950.00
• Capital City Fwy Bus/Carpool Lanes (Interstate 80 – P Street)			
• Interstate 5 Bus/Carpool Lanes (US Highway 50 to Sacramento International Airport)		\$	650.00
• Interstate 5/Interstate 80 Interchange Complex Improvements			
• Interstate 5/US Highway 50 Interchange Complex Improvements			
• State Route 99/US Highway 50/Business 80 Interchange Complex Improvements			
• Capital Southeast Connector (SR 99 – US 50)		\$	248.00
• Widen, Rebuild and Extend Kammerer Road (Elk Grove)		\$	52.00
Senior and Disabled Transportation Services	3.09%	\$	250.00
Air Quality	2.20%	\$	177.50

EXHIBIT A**The Transportation Maintenance, Safety, and Congestion Relief Act –
Sacramento County Measure A Transportation Sales Tax Expenditure Plan 2021-2061****I. Implementation Guidelines**

- A. Revenue Estimates and Distribution.** Allocation of revenue authorized by Ordinance No. STA 20-01 is established within this Expenditure Plan. Funds shall be allocated to Expenditure Plan categories by percentage of revenue received, except as provided for in Section B. An estimate of revenues and allocations among categories is reflected in this Expenditure Plan. Some category allocations will be sub-allocated by formula to specified local transportation providers for expenditures on specified projects as set forth in this Expenditure Plan. The estimated revenue is based on 2020 value of funds escalated over the period of the measure and is not binding or controlling. Estimated revenues are net of required California Department of Tax and Fee Administration (CDTFA) administrative fees.
- B. “Off the Top” Expenditures.** Revenues available for percentage allocation are also net of the cost of Authority administration (1.0% of total estimated revenues) and fixed program expenditures directly allocated to recipient agencies in the following amounts for the specific purposes indicated:
1. To Sacramento County, the Regional Parks Department, not to exceed \$63 million for the program period for preservation, maintenance and safety of the American River Parkway.
 2. To the City of Sacramento, not to exceed \$20 million for the program period for direct support of the development of a Regional Mobility Center to foster innovation in clean transportation.
 3. To the Sacramento Area Council of Governments, not to exceed \$8 million for the program period for distribution to support the activities of Transportation Management Agencies in Sacramento County.
 4. To the San Joaquin Regional Rail Commission, not to exceed \$80 million for the program period for operations and service enhancements related to the Altamont Corridor Express service that will benefit Sacramento County residents.
 5. To the City of Sacramento, not to exceed \$40 million for the program period for operations related to the Sacramento Intermodal Transfer Facility.

Remaining revenue following these set asides shall be referred to as “net sales tax revenue” for purposes of this Expenditure Plan.

- C. Contribution from New Property Development.** No revenue generated from the tax shall be used to supplant transportation mitigation fees currently imposed on new property development in Sacramento County. The County and each incorporated city must continue to impose transportation impact fee programs as required in Ordinance No. STA 04-01 as a condition for receiving Measure A funds.
- D. Requirement for Annual Financial and Performance Audits of Measure A Funds.** The Authority and each agency receiving an allocation of Measure A revenue authorized by this Expenditure Plan shall undergo an annual financial audit performed in accordance with generally accepted accounting standards and government auditing standards issued by the Comptroller General of the United States. The annual audit shall be supervised by the Authority's Independent Taxpayer Oversight Committee (ITOC). Compliance audits shall also be periodically conducted to ensure that Measure A funds are expended in accordance with the provisions and guidelines established by this Expenditure Plan. In addition, the ITOC shall conduct periodic performance audits to determine progress in meeting program performance standards adopted by the Authority Board, and to make recommendations for improving overall program performance. The Authority Board shall adopt the relevant performance standards no later than April 1, 2021.
- E. Five-Year Programs.** Each recipient agency must prepare and adopt a five-year program on an annual basis that is approved by the Authority. Each agency receiving funding identified in Section II, Subsections A, D, and E shall file with the Authority an annually updated five-year program for expenditure of the sales tax revenue allocations. The first five-year program must be completed by December 31, 2021, and updated thereafter on an annual basis. Section II identifies reporting requirements for specific funding categories. Additional reporting requirements may be adopted by the Authority after consultation with recipient agencies and stakeholders.
- F. "Fix It First" Investment Priority for Years 1-5.** Authority allocations for the first five years following implementation of Ordinance No. STA 20-01 (2021-2026) shall prioritize "Fix It First" road, transit, safety, bicycle, and pedestrian investments. For recipient agencies responsible for maintaining streets and roads, the five-year program and each annual update shall include a pavement and bridge maintenance report that is consistent with the "Maintenance of Effort" requirement in Section IV, Subsection A of the Ordinance No. STA 04-01 Expenditure Plan. For the Sacramento Regional Transit District (SacRT), the five-year program and each annual update shall include performance indicators to assess whether "Fix It First" investment needs are being prioritized and to demonstrate that the agency is adhering to the financial management policies identified in Section II.
- G. Clear Format to Assess Progress.** For all agencies receiving "Fix It First" funding allocations, the five-year programs and annual updates shall be provided in a format to clearly assess progress towards improved maintenance and operations of existing transportation assets.

- H. Complete Streets.** The Authority views transportation projects as opportunities to improve safety, access and mobility for all users of streets, roads and highways in Sacramento County and recognizes bicycle, pedestrian, vehicle and transit modes as integral elements of the transportation system. The term “Complete Streets” describes a comprehensive, integrated transportation network with roadways designed and operated to enable safe and convenient travel for users of all abilities, including motorists, pedestrians, bicyclists, persons with disabilities, seniors, children, movers of commercial goods, operators of public transportation, public transportation users and emergency responders, in a balanced manner that is compatible with an urban, suburban or rural context.

Within one year following the implementation of Ordinance No. STA 20-01, each local jurisdiction in Sacramento County shall adopt or maintain an existing complete streets policy consistent with the California Complete Streets Act of 2008, including Government Code Section 65302 (b) (2), and/or a Bicycle/Pedestrian Master Plan, or a similar document that incorporates design guidelines and standards promoting safe and convenient travel for all users when considering any construction, reconstruction, retrofit, or alteration of streets, roads, highways, bridges, and other elements of the transportation system.

Planning and design of projects affecting the transportation system shall be consistent with any local bicycle, pedestrian, transit, multimodal and other relevant plans and/or the local complete streets policy in order to ensure that all transportation types and users are considered in the expenditure of Measure A funds.

- I. Federal Air Quality Requirements.** Measure A Expenditure Plan funds programmed for a project construction phase shall not impair the ability of the region's Metropolitan Transportation Plan (MTP) and Metropolitan Transportation Improvement Program (MTIP) to meet federal air quality conformity requirements.
- J. Metropolitan Transportation Plan Compliance.** The vast majority of proposed Expenditure Plan projects are already planned or programmed in the Metropolitan Transportation Plan (MTP) requiring that the region meet a 19% per capita GHG reduction target. For any projects not planned or programmed for construction in the adopted MTP, the following requirements will apply;

The parties agree to develop mitigation measures for any highway expansion and transit projects that increase GHG emissions in order to meet the applicable GHG target for the metropolitan transportation and climate plan.

If the parties can mitigate any such impacts to maintain adherence to the then applicable regional greenhouse gas reduction target, and if the projects are included in the metropolitan transportation and climate plan, the projects can be funded with Measure A proceeds.

If the GHG impacts are not mitigated to meet the region's then applicable GHG reduction target, and as a result the region cannot meet its applicable greenhouse gas target, the proceeds of the highway expansion or transit project will be returned to the corresponding jurisdiction for their discretion, for other than the originally intended projects, provided the projects are consistent with the Metropolitan Transportation Plan.

- K. Environmental Review.** All projects funded with Measure A Expenditure Plan funds are subject to the requirements of the California Environmental Quality Act (CEQA). Prior to allocation of funds for any project or program included in the Expenditure Plan, all necessary environmental review required by CEQA shall be completed.
- L. Road Health and Safety.** Each recipient agency shall demonstrate that projects in the five-year program and individual proposed projects incorporate street design elements to quantifiably reduce the risk of traffic-related deaths and severe injuries in the public right-of-way consistent with the principles of this Ordinance. Where applicable, each recipient agency shall also demonstrate that the projects adhere to the principles of "Safe Routes to Schools" to facilitate safer walking and bicycling to and from school.
- M. Revenue Estimate.** Tax revenues generated by this Ordinance No. STA 20-01 during the 40-year term are expected to be \$8,380,000,000 based on escalated dollar values. Approximately \$331 million in mitigation fees from new development is also projected for the period 2039-2061. These fees will be extended as provided for in Section IX of this Ordinance and contributions from new development for the period April 1, 2039, to March 31, 2061, shall be programmed and allocated through the process outlined in Section IX. Revenue estimates are not binding or controlling. The Authority Board shall make periodic allocation adjustments to reflect actual revenues received but may not amend the formula allocations set forth in this Expenditure Plan except as permitted in this Ordinance No. STA 20-01.

II. Measure A Revenue Percentage Allocations

All sales tax revenues, net of CDTFA administrative fees, the cost of Authority administration, and allocations outlined in Section I, Subsection B shall be expended as follows:

- A. Local Streets and Roads.** 47.95% of annual net sales tax revenues shall be allocated monthly to each incorporated city and the unincorporated county consistent with the following distribution:
- 1. Local Street and Road Repair and Transformative System Improvements.** 39.29% of all annual net sales tax revenues shall fund project development, right-of-way, construction, and provision of:
 - a. "Fix It First" pavement maintenance, pavement rehabilitation, safety projects, and bridge repair, including complete streets improvements, which consist of the rehabilitation and modification of existing arterial streets to contemporary urban standards sufficient to serve all users of the facilities, such as bicyclists, pedestrians, and transit users.
 - b. New or expanded arterial streets, roads, and bridges, including complete streets improvements, which consist of the rehabilitation and modification of existing arterial streets to contemporary urban standards sufficient to serve all users of the facilities, such as bicyclists, pedestrians, and transit users.
 - c. Intelligent transportation system modifications to the existing street and road system to facilitate improved accessibility, safety, operations, and efficiency.

- d. Improvements to facilitate safe and convenient pedestrian, bicycle, and other non-motorized local trips, safe routes to school, lighting and synchronized signals, vehicle charging stations, trail improvements and other improvements to better facilitate improved mobility and the development of alternative travel options. The allocation of Measure A funds will implement street design elements that quantifiably reduce the risk of traffic-related deaths and severe injuries in the public right-of-way and ensure that the mobility needs of all users are considered in project scope elements.
- e. American River Parkway Trail improvements and maintenance in the jurisdictions through which the parkway passes (County of Sacramento, City of Sacramento, and the City of Rancho Cordova).
- f. Improvements to the Sacramento River Parkway and other regional trails.
- g. Trail improvements to the Folsom Lake State Recreation Area in the city of Folsom.

Distribution among the cities and unincorporated county shall be based 75% on relative population (per most recent annual California Department of Finance estimates) and 25% on relative paved and maintained road mileage (as reported in each entity's automated pavement management system).

Local Street and Road "Fix It First" Commitment

For the first five years following the date of implementation of Ordinance No. STA 20-01, not less than 90% of the funds identified in this Local Street and Road Repair and Transformative System Improvements program shall be used exclusively by all cities and the County of Sacramento for "Fix It First" street, road, and bridge preventative maintenance and rehabilitation, including safety improvements, so as to bring these facilities throughout Sacramento County up to a Pavement Condition Index (PCI) of at least 70 at the soonest possible time.

At the end of the five-year period following the date of implementation of Ordinance No. STA 20-01, not less than 50% of the funds identified for the Local Street and Road Repair and Transformative System Improvements Program shall be used exclusively by all cities and the County of Sacramento for "Fix It First" street, road, and bridge preventative maintenance and rehabilitation so as to continue efforts to bring these facilities throughout Sacramento County to a PCI of at least 70.

A 70 PCI is generally defined as safe, reliable, and smooth street surfaces with little to no blemishes, potholes, or substantial cracking. Streets and roads with a 70 PCI are expected to have a comfortable and safe ride for all motorized vehicles and bicycles, with minimum wear and tear on all such users.

The definition of maintenance and rehabilitation shall include as eligible for these funds the non-capacity upgrade of existing streets and roads to a contemporary urban standard (complete streets), including improvements to enhance safety and access for pedestrians, bicycles, and transit users.

Notwithstanding the "Fix It First" requirements for these funds over the program period

following implementation of Ordinance No. STA 20-01, the percentage commitment to “Fix It First” maintenance and rehabilitation may be reduced and any city and the County of Sacramento may direct a higher percentage of those funds to new transformative system improvements, provided the following conditions have been met:

1. The public agency manager responsible for road maintenance has certified in writing to the City Council and City Manager in a city and the Board of Supervisors and the Chief Administrative Officer at the County that the road facilities under their management have met or will meet within the next 12 months a 70 PCI rating.
2. The public agency manager responsible for road maintenance has submitted a written plan to the City Manager or County Chief Administrative Officer clearly demonstrating how the 70 PCI rating will be sustained in the future. Any diversion of funds committed to maintenance and rehabilitation can only continue as long as a jurisdiction maintains an average PCI of 70 or above for its street and road systems.

Accountability

The objective for Measure A is to assist jurisdictions to achieve—but not require—a local match of at least one-third of total capital project costs. However, a city or the County may direct all or a portion of its formula share of these funds to general street/road pavement maintenance and pavement rehabilitation. The proportional allocation among entities will be recalculated annually to reflect current population and road mileage data. Each recipient entity shall adopt a five-year program for use of these funds.

The five-year programs will be updated annually and submitted to the Authority for approval. For recipient agencies responsible for maintaining streets and roads, the annual updates to the five-year programs shall include pavement and bridge "Maintenance of Effort" reports that are consistent with the requirement under Ordinance No. STA 04-01.

2. **Local Projects of Regional Significance.** 8.66% of all annual net sales tax revenues shall fund projects within the boundaries of local jurisdictions that provide a regional benefit to the overall transportation network. These projects include construction or modifications to interchanges interfacing with state highways, projects that are required for mitigation purposes for new or expanded access to the transportation system, improvements to local arterials or other transportation facilities that provide regional connectivity and improved throughout. Interchange projects funded through this category will require a federal, state, local or developer match of at least one-third the cost of the project. Distribution of these revenues among the cities and the unincorporated county area shall be based on a formula which takes into account population, lane miles, and sales tax generation. Following the implementation of Ordinance No. STA 20-01, this formula shall be reviewed annually by the public works directors of each city and the County based on updated data, and any modifications must be approved by the Authority Board.

Accountability

Aside from the one-third match requirement for interchange projects, it is the objective of Measure A to assist local jurisdictions to achieve—but not require—a local match of at least a third of any capital project costs from other sources. Funding from this subcategory will be restricted to the high priority projects listed by jurisdiction.

- B. Sacramento Regional Transit District (SacRT) Maintenance, Operations, and Transformative System Improvements.** 21.90% of all annual net sales tax revenues shall be used for light rail and bus vehicle replacement, operations and maintenance of existing services, operations and maintenance for new services partially funded through this Expenditure Plan, improved access for the senior and disabled populations, fare reductions for transit-dependent riders, and the implementation of innovative services that will improve transit connections and encourage increased ridership.

SacRT “Fix It First” Commitment

For the five years following the date of implementation of Ordinance No. STA 20-01, with the exception of funding for commuter rail service enhancements and the Sacramento Intermodal Transit Facility, not less than one-third of the total funds directly allocated to SacRT shall be used exclusively by SacRT for “Fix It First” bus and light rail vehicle replacement, operations, maintenance, and security for existing services at the soonest possible time. As a federal grantee, SacRT has developed and maintains a Transit Asset Management (TAM) Plan that includes capital asset inventories, condition assessments, lifecycle management, and investment prioritization. The plan addresses the application of asset management across SacRT’s entire diverse portfolio of assets, which includes assets with a range of useful lives, replacement costs, and inter-relationships. Using the five-level condition assessment code recommended by the Federal Transit Administration (FTA), the State of Good Repair (SGR) is defined as those assets that are rated higher than 2.5 (Adequate), on a scale of 1 through 5. Backlog is defined as those assets that have exceeded their useful life and have a condition rating of less than or equal to 2.5 (Substandard). This rating is based on how close an asset or component is to replacement or major overhaul. With a rating of 2.5 an asset would be near overhaul or retirement, but in serviceable condition. With a rating of 5 the asset would be new or like new, 95% to 100% confidence in reliability, with no visible defects, no damage, and cosmetically looks new.

During this period the following performance metrics shall also be met:

1. SacRT will meet or exceed the requirements in the SacRT Transit Asset Management (TAM) Plan for the percentage of buses and light rail vehicles that meet or exceed useful vehicle life or average vehicle age benchmarks.
2. SacRT will meet or exceed performance goals and industry standards, adopted by the SacRT Board of Directors, for miles between road calls, on-time performance, missed trips, and safety/security key performance indicators.
3. SacRT will meet or exceed the California Transportation Development Act (TDA) goals and requirements, which currently include meeting minimum farebox recovery ratio requirements and independent performance audits conducted every three years.

Prior to the end of the five-year period following implementation of Ordinance No. STA 20-01, the one-third commitment to “Fix It First” vehicle replacement, maintenance, operations, and security may be reduced, and SacRT may direct a higher percentage of the funds to new transit capital provided the following conditions have been met:

1. The SacRT Chief Financial Officer has certified in writing to the SacRT General Manager/CEO and the SacRT Board of Directors that the performance metrics above have been met.
2. The Chief Financial Officer has submitted a written five-year expenditure plan to the General Manager/CEO clearly demonstrating how the performance metrics will be sustained in the future in full consideration of the funds recommended for new transit capital purposes over the five-year period.

Accountability

SacRT shall develop a five-year program for use of all capital and operations funds, including capital projects funded under Section II, Subsection C1 of this Expenditure Plan, updated annually and submitted to the Authority for approval before allocations are made. SacRT must be in compliance with the financial management provisions of this section before the Authority Board can consider the allocation of these funds.

For SacRT, the five-year program and each annual program update shall include performance indicators to assess if “Fix It First” investment needs are being prioritized and expenditures are consistent with the adopted Metropolitan Transportation Plan, the SacRT Short Range Transit Plan, and the SacRT Transit Asset Management (TAM) Plan.

Funding for light rail extensions will only be available after analyzing ridership potential based on approved general plans and zoning land use designations in proximity to planned stations and inclusion of the project in the Metropolitan Transportation Plan. If these terms are not met for a proposed light rail extension, then funds would be reprogrammed for other transit projects subject to the approval of the Authority.

- C. **Congestion Relief Improvements.** 24.86% of all annual net sales tax revenues shall be used for project development, right-of-way, and construction of highway, transit, rail, increased bus and light rail service, and expressway expansion and widening projects affecting multiple local entities, that reduce congestion, improve operations, and enhance access to the overall transportation network. The objective is for Measure A to assist—but not require—agencies, including SacRT, the California Department of Transportation (Caltrans) and the Capital Southeast Connector Joint Powers Authority, to achieve a match of at least a third of the total cost of each of the eligible projects listed for this category in this Expenditure Plan.
 1. **Transit and Rail Congestion Improvement Projects.** 13.11% of all annual net sales tax revenues shall be allocated to SacRT for transit and rail projects that reduce congestion, expand capacity, improve operations and enhance access to the transportation system. The proposed allocation amounts for bus and light rail projects are intended to be flexible to allow for SacRT to best apply the funding to achieve the maximum benefit in matching funds from state and federal resources. Projects funded through this subcategory shall be subject to the same accountability provisions included in Section II, Subsection B of this Expenditure

Plan regarding development of a five-year plan, updated annually and submitted to the Authority before allocations are made.

2. **Highway Congestion Improvement Projects.** 11.75% of all annual net sales tax revenues shall be allocated to Caltrans, the Capital Southeast Connector Joint Powers Authority, and the City of Elk Grove for highway congestion improvement projects, including state highway improvements and the Capital Southeast Connector in Sacramento County. Allocations of funding to Caltrans will be used by the department for both project development and capital expenses associated with the projects included in this category and the funding is intended to provide matching leverage for additional state and federal funding.
- D. **Senior and Disabled Transportation Services.** 3.09% of all annual net sales tax revenues shall be used for planning, design, operational, maintenance, and capital acquisition activities of any designated consolidated transportation services agency (CTSA) and Sac RT to provide demand-responsive transportation services to eligible seniors and disabled residents. Operation funds shall be allocated monthly. Any CTSA and SacRT shall adopt a five-year program for use of these funds. The five-year plan will be updated annually and submitted to the Authority for approval.
- E. **Air Quality.** 2.20% of all annual net sales tax revenues shall be allocated monthly to the Sacramento Metropolitan Air Quality Management District (SMAQMD) to provide funding for monitoring, planning, emission reduction, and future mobility programs to promote clean air, mitigate climate change and transportation pollution, respond to wildfire smoke impacts, and achieve and maintain health-based air quality standards and low-carbon development goals.
- F. **Program Administration – Taxpayer Oversight.** 1.0% of all annual sales tax revenues shall be allocated monthly to the Authority for general and financial administration of the Authority and the Measure A program, coordination and consultation with Measure A recipient entities and Sacramento Area Council of Governments (SACOG), facilitation and administration of the Independent Taxpayer Oversight Committee, independent financial and performance audits, and ongoing public information and outreach.
- G. **Extension of the Sacramento Countywide Transportation Mitigation Fee Program (SCTMFP).** This Ordinance extends the SCTMFP established by Ordinance No. STA 04-01 for the Existing Tax program for the period April 1, 2039, through March 31, 2061. Allocations for funding from the extended fee program are not included in this Expenditure Plan which governs the distribution of revenue resulting from the imposition of a retail transactions and use tax of one-half percent for local transportation purposes for a period of forty (40) years.

Future SCTMFP allocations are subject to validation by a nexus study to be initiated no later than April 1, 2037, as specified in Section IX of this Ordinance and fees collected shall be allocated to specific projects through a process determined by the Authority in coordination with local jurisdictions, and the allocation plan shall be in place prior to April 1, 2039.

MEASURE A 2020 TRANSPORTATION SALES TAX EXPENDITURE PLAN

MARCH 12, 2020

(All dollar figures are estimates and are stated in millions of dollars)

LOCAL STREETS AND ROADS (47.95%) **\$ 3,876.00**

47.95% of all annual net sales tax revenues shall be allocated to each incorporated city and the unincorporated county for local street and road purposes. Funds for each of the subcategories below will be allocated by formula.

**Local Street and Road Repair and
Transformative System Improvements (39.29%)** **\$ 3,176.00**

39.29% of all annual net sales tax revenues shall be allocated monthly to each incorporated city and the unincorporated county based 75% on relative population and 25% on relative paved and maintained road mileage. These funds are available for the maintenance and rehabilitation of local streets, roads and other transformative improvements to the local system. Transformative improvements include safety projects, complete streets with or without capacity expansion, sidewalk and pedestrian improvements, active transportation improvements, safe routes to schools, Americans with Disabilities Act compliance, intelligent transportation system enhancements, street lighting and synchronized signals, electric vehicle charging stations, trail improvements, major arterial improvements, and other improvements which will help transform the overall system to better facilitate improved mobility and the development of alternative travel options.

For the first five years following implementation of Ordinance No. STA 20-01 (April 1, 2021, to March 31, 2026), not less than 90% of the funds identified for the Local Street and Road Repair and Transformative System Improvements Program shall be used exclusively by all cities and the County of Sacramento for "Fix It First" road and bridge preventative maintenance and rehabilitation, including safety improvements, so as to bring these facilities throughout Sacramento County to a Pavement Condition Index (PCI) of at least 70 at the soonest possible time.

At the end of the five-year period following the date of implementation of Ordinance No. STA 20-01 (after March 31, 2026), not less than 50% of the funds identified for the Local Street and Road Repair and Transformative System Improvements Program shall be used exclusively by all cities and the County of Sacramento for "Fix It First" street, road, and bridge preventative maintenance and rehabilitation so as to continue efforts to bring these facilities throughout Sacramento County to PCI of at least 70.

LOCAL STREETS AND ROADS**(continued)****Local Street and Road Repair and
Transformative System Improvements****(continued)**

A 70 PCI is generally defined as safe, reliable and smooth street surfaces with little to no blemishes, potholes or substantial cracking. Streets and roads with a 70 PCI are

expected to have a comfortable and safe ride for all motorized vehicles and bicycles, with minimum wear and tear on all such users.

The definition of maintenance and rehabilitation shall include as eligible for these funds the non-capacity upgrade of existing streets, including improvements to enhance safety and access for pedestrians, bicycles, and transit users.

Notwithstanding these allocation restrictions, the percentage commitments to "Fix It First" maintenance and rehabilitation may be reduced and any city and the County of Sacramento may direct a higher percentage of those funds to new transformative system improvements, provided the following conditions have been met:

1. The public agency manager responsible for road maintenance has certified in writing to the City Council and City Manager in a city and the Board of Supervisors and the Chief Administrative Officer at the County that the road facilities under their management have met or will meet within the next 12 months a 70 PCI rating.
2. The public agency manager responsible for road maintenance has submitted a written plan to the City Manager or County Chief Administrative Officer clearly demonstrating how the 70 PCI rating will be sustained in the future. Any diversion of the funds committed to maintenance and rehabilitation can only continue as long as a jurisdiction maintains an average PCI of 70 or above for its street and road system. In addition, local jurisdictions must maintain current levels of funding for maintenance and rehabilitation and shall not use funds from this allocation to offset existing funding planned or allocated for this purpose.

With the exception of the City of Isleton, which will receive a fixed amount of these funds, the percentage allocation for each jurisdiction is listed and includes eligible projects proposed for funding from this category. In addition to the "Fix It First" Maintenance and Rehabilitation allocation, the jurisdiction lists include safety projects, complete streets projects, improvements to major arterials, local road capacity expansion, bicycle and pedestrian improvements, intelligent transportation system enhancements, and other transformative improvements which will facilitate improved mobility and the development of alternative travel options for the future. Arterial improvements and system access projects may also be included in another category of the Expenditure Plan.

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

Citrus Heights (5.29%)

\$ 168.05

- "Fix It First" Street Maintenance and Rehabilitation
- Complete Streets Program:
 - Auburn Blvd Phase II (Rusch Park – I-80)
 - Auburn Blvd Phase III (Sylvan Corners – Greenback Lane)
 - Auburn Blvd Phase IV (Greenback Lane – Manzanita Avenue)
 - Antelope Road (Auburn Blvd – Old Auburn Road)
 - Dewey Drive (Greenback Lane – Connemara Circle)
 - Fair Oaks Blvd (Oak Avenue – Madison Avenue)
 - Greenback Lane (Sunrise Blvd – Fair Oaks Blvd)
 - Oak Avenue (Sunrise Blvd – Wachtel Way)
 - Old Auburn Road (Sylvan Corners – Roseville City Limit)
 - Roseville Road (Butternut Drive – City Limit)
 - San Juan Avenue (Madison Avenue – Sylvan Road)
 - Sunrise Blvd (Sayonara Drive – North City Limit)
 - Sylvan Road (San Juan Avenue – Sylvan Corners)
 - Wachtel Way (Oak Avenue – Auburn Road)
 - Van Maren Lane (Greenback Lane – Garden Gate Drive)
- Antelope Road/I-80 Interchange (Bike, Pedestrian, Americans with Disabilities Act and Congestion Relief Improvements)
- Intelligent Transportation System Improvements
- Bicycle Master Plan Implementation
- Pedestrian Master Plan Implementation
- Americans with Disabilities Act Transition Plan Implementation
- Support of a Local Transportation Management Agency

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

Elk Grove (10.99%)

\$ 348.79

- “Fix It First” Street Maintenance and Rehabilitation
- Widen, Rebuild, and Extend Kammerer Road*
- Construct SR-99 at Whitelock Parkway Interchange*
- Intelligent Transportation System Improvements
- Signal Maintenance and Rehabilitation
- Citywide Complete Streets Improvements
- Bicycle, Pedestrian, Trails, and Americans with Disabilities Act Master Plan Implementation
- Laguna Creek Trail
- Elk Grove Creek Trail
- Powerline Trail
- Stone Lake Trail
- Trail Maintenance and Rehabilitation
- Congestion Reduction on Elk Grove Blvd
- Congestion Reduction on Laguna Blvd/Bond Road
- Pedestrian Overcrossing of UPRR on Elk Grove Blvd
- Pedestrian Overcrossing of UPRR on Laguna Blvd
- Support of a Local Transportation Management Agency

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

Folsom (5.29%)

\$ 168.05

- "Fix It First" Street Maintenance and Rehabilitation
- Construct US-50 at Empire Ranch Road Interchange*
- Construct US-50 at Oak Avenue Parkway Interchange*
- Widen White Rock Road (Prairie City Road – Empire Ranch Road)*
- Folsom Blvd Bicycle Overcrossing
- Intelligent Transportation System Improvements
- Bicycle Master Plan Implementation
- Pedestrian Master Plan Implementation
- Americans with Disabilities Act Transition Plan Implementation
- Folsom Lake State Recreation Area Trail Projects
- Support of a Local Transportation Management Agency

Galt (1.70%)

\$ 53.90

- "Fix It First" Street Maintenance and Rehabilitation
- Construct SR-99 at Walnut Avenue Interchange*
- Bicycle Master Plan Implementation
- Pedestrian Master Plan Implementation
- Americans with Disabilities Act Transition Plan Implementation
- Carillion Blvd Complete Streets Improvements
- Support of a Local Transportation Management Agency

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

Isleton (Fixed Amount)

\$ 2.00

- “Fix It First” Street Maintenance and Rehabilitation
- Community Center Americans with Disabilities Act Ramps and Parking Lot Rehabilitation
- Safety Lights for Tower Park and Ride Lot
- Electric Vehicle Charging Stations
- Dock/Ferry Station Rehabilitation
- Green Streets Plan
- Pilot Shuttle, Isleton to E-Bart Station
- Support of a Local Transportation Management Agency

Rancho Cordova (5.09%)

\$ 161.71

- “Fix It First” Street Maintenance and Rehabilitation
- Construct US-50 at Rancho Cordova Parkway Interchange, including the Interchange at US-50 to White Rock Road*
- Widen White Rock Road (Sunrise Blvd – Grant Line Road)
- Widen Douglas Road (Sunrise Blvd – Western City Limit with Bridge over Folsom South Canal)
- Sunrise Blvd Complete Streets Improvements (Folsom Blvd – Jackson Highway)
- Mather Field Road Complete Streets
- Coloma Road Complete Streets
- Zinfandel Bicycle and Pedestrian US-50 Overcrossing
- Bicycle Master Plan Implementation
- Pedestrian Master Plan Implementation
- Americans with Disabilities Act Transition Plan Implementation
- American River Parkway
- Support of a Local Transportation Management Agency

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

Sacramento (31.27%)

\$ 992.47

- “Fix It First” Maintenance and Rehabilitation (to include complete streets and safety elements whenever feasible)
- Intelligent Transportation System Master Plan Implementation
- Vision Zero Action Plan (Safety Improvements) Implementation
 - High Injury Networks
 - Safe Routes to School
- Complete Streets (to include at a minimum currently identified efforts):
 - Stockton Blvd
 - Franklin Blvd
 - Fruitridge Road
 - Northgate Blvd
 - Meadowview Road/24th Street
 - Broadway
- Active Transportation Implementation
 - Bikeway Master Plan
 - Pedestrian Master Plan
- Accessibility Improvements
- Pedestrian and Bicycle Safety Improvements
- 14th Avenue Extension
- 67th Street Bike/Pedestrian Tunnel to CSUS
- Operations and Security
- Support of Strategic Local Transportation Management Agency Initiatives
- Parking Facilities

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

County of Sacramento (40.36%)

\$ 1,281.01

- "Fix It First" Street Maintenance and Rehabilitation
- Bicycle Master Plan Implementation
- Pedestrian Master Plan Implementation
- Americans with Disabilities Act Transition Plan Implementation
- Hazel Avenue/US-50 Interchange*
- North Watt Avenue at UPRR/Capitol Corridor Overcrossing
- American River Parkway
- Arterial Corridor Rehabilitation with Complete Streets, Intelligent Transportation System Improvements and Streetscape:
 - Arden Way (Ethan Way – Watt Avenue)
 - Auburn Blvd (Fulton Avenue – Manzanita Avenue)
 - Cypress Avenue (Edison Avenue – Manzanita Avenue)
 - El Camino Avenue (Ethan Way – Fair Oaks Blvd)
 - Elverta Road (Watt Avenue – Antelope Road)
 - Fair Oaks Blvd (Howe Avenue – Madison Avenue)
 - Folsom Blvd (Watt Avenue – Bradshaw Road)
 - Fulton Avenue (Auburn Blvd – Fair Oaks Blvd)
 - Garfield Avenue (Greenback Lane – Winding Way)
 - Greenback Lane (Hazel Avenue – Madison Avenue)
 - Howe Avenue (Auburn Blvd – Fair Oaks Blvd)
 - Madison Avenue (Watt Avenue – Sunrise Blvd)
 - Manzanita Avenue (Auburn Blvd – Fair Oaks Blvd)
 - Marconi Avenue (Howe Avenue – Fair Oaks Blvd)
 - Oak Avenue (Hazel Avenue – Folsom City Limit)

LOCAL STREETS AND ROADS

(continued)

**Local Street and Road Repair and
Transformative System Improvements**

(continued)

County of Sacramento

(continued)

- Pasadena Avenue (Cypress Avenue – Winding Way)
- Power Inn Road (Florin Road – Calvine Road)
- San Juan Avenue (Madison Avenue – Fair Oaks Blvd)
- Stockton Blvd (North of 65th Street – Power Inn Road)
- Sunrise Blvd (Madison Avenue – Coloma Road)
- Watt Avenue (Capital City Freeway – Fair Oaks Blvd)
- 47th Avenue (Franklin Blvd – Stockton Blvd)
- Road Capacity Expansion with Complete Streets and Intelligent Transportation System Improvements:
 - Antelope Road (Watt Avenue – Roseville Road)
 - Bradshaw Road (Old Placerville Road – Calvine Road)
 - Calvine Road (Power Inn Road – Grant Line Road)
 - Douglas Road (Rancho Cordova City Limit – Kiefer Blvd)
 - Elkhorn Blvd (Rio Linda Blvd – I-80)
 - Elverta Road (SR-99 – Watt Avenue)
 - Greenback Lane (Fair Oaks Blvd – Hazel Avenue)
 - Hazel Avenue (Placer County Line to Madison Avenue)
 - Jackson Highway (Watt Avenue – Grant Line Road)
 - Madison Avenue (Sunrise Blvd – Greenback Lane)
 - North Watt Avenue (Antelope Road – Capital City Freeway)
 - Roseville Road (Airbase Drive – Placer County Line)
 - South Watt Avenue/Elk Grove-Florin Road (Kiefer Blvd – Calvine Road)
 - Sunrise Blvd (Jackson Highway – Grant Line Road)
- Support of a Local Transportation Management Agency

LOCAL STREETS AND ROADS

(continued)

Local Projects of Regional Significance (8.66%) \$700.00

8.66% of all annual net sales tax revenues shall be allocated to the local jurisdiction listed in this category to fund projects within the boundaries of these local jurisdictions that provide a regional benefit to the overall transportation network. These projects include construction or modifications to interchanges interfacing with state highways, projects that are required for mitigation purposes for new or expanded access to the system improvements to local arterials that promote regional connectivity. The interchange projects listed will require a federal, state, local and/or developer match of at least one-third of the cost of the improvement. Allocations are based on a formula which takes into account population, lane miles and sales tax generation, and funding will be provided to local jurisdictions for expenditure on these specific projects only. Recipient agencies are shown for each project.

Citrus Heights (3.60%) \$25.20

- Auburn Blvd Phase II (Rusch Park – I-80)
- Madison Avenue Corridor (Fair Oaks Blvd – San Juan Avenue)
- Sunrise Blvd (Sayonara Drive – Madison Avenue)
- Antelope Road/I-80 Interchange (Bike, Pedestrian, Americans with Disabilities Act, and Congestion Relief Improvements)

Elk Grove (10.20%) \$71.40

- Whitelock Parkway/SR-99 Interchange
- Elk Grove Blvd Congestion Relief
- Laguna Blvd/Bond Road Congestion Relief

Folsom (10.50%) \$73.50

- Empire Ranch Road/US-50 Interchange
- Oak Avenue Parkway/US-50 Interchange
- Oak Avenue Parkway (Folsom-Auburn Road – American River Canyon Drive)
- Folsom-Auburn Road at Folsom Lake Crossing
- Folsom Blvd/Blue Ravine Road Rail/Trail Grade Separation

LOCAL STREETS AND ROADS

(continued)

Local Projects of Regional Significance

(continued)

Galt (1.20%)

\$8.40

- Walnut Avenue/SR-99 Interchange

Isleton (0.10%)

\$0.70

- Local Street and Road Repair
- SR-160 Safety Plan

Rancho Cordova (10.50%)

\$73.50

- Rancho Cordova Parkway/US-50 Interchange, including the Interchange at US-50 to White Rock Road
- White Rock Road Complete Streets (Sunrise Blvd – East City Limit)
- Widen Douglas Road (Sunrise Blvd – West City Limit)

Sacramento (30.20%)

\$211.40

- Richards Blvd/I-5 Interchange (Implement River District Specific Plan/Railyards Specific Plan)
- Mack Road/SR-99 Interchange (Safety Improvements)
- 65th Street/US-50 Interchange (65th Street Transit Area Plan Improvements)
- I Street Bridge Replacement (Railyards Blvd) over Sacramento River
- American River Bridge to South Natomas
- Broadway Bridge over Sacramento River
- Cosumnes River Blvd Improvements (SR-99 – Franklin Blvd)
- West El Camino Avenue/I-80 Interchange (North Natomas Freeway Agreement)
- Northgate Blvd/I-80 Interchange (North Natomas Freeway Agreement)

LOCAL STREETS AND ROADS

(continued)

Local Projects of Regional Significance

(continued)

Sacramento

(continued)

- Sacramento River/American River/Regional Bike Trails (Development, Patrol, and Maintenance for Those Areas Not Covered by Sacramento County Parks)
- Intermodal Transportation Facility Development (Phase 3 Implementation Capital Costs)

County of Sacramento (33.70%)

\$235.90

- Arden Way (Ethan Way – Watt Avenue)
- Bradshaw Road (Old Placerville Road – Calvine Road)
- Elverta Road (SR-99 – Antelope Road)
- Fair Oaks Blvd (Howe Avenue – Madison Avenue)
- Folsom Blvd (Watt Avenue – Bradshaw Road)
- Hazel Avenue/US-50 Interchange
- Madison Avenue (Watt Avenue – Greenback Lane)
- Rural Road Shoulder and Safety Improvements
- South Watt Avenue/Elk Grove-Florin Road (Kiefer Blvd – Calvine Road)
- Sunrise Blvd (Jackson Highway – Grant Line Road)
- Watt Avenue (Capital City Freeway – Fair Oaks Blvd)
- 47th Avenue (Franklin Blvd – Stockton Blvd)

**Project may also be included in another category*

SACRAMENTO REGIONAL TRANSIT DISTRICT (SacRT) MAINTENANCE, OPERATIONS, AND TRANSFORMATIVE SYSTEM IMPROVEMENTS (21.90%)

\$1,770.00

21.90% of all annual net sales tax revenues shall be allocated to SacRT in funding for the transit equivalent of "Fix It First" along with needed operational and other transformative improvements. For the first five years following implementation of Ordinance No. STA 20-01, not less than one-third of these funds must be spent on achieving a state of good repair of the transit system, bus and light rail vehicle replacement, safety, security, and fare assistance for senior, disabled, student, and low-income passengers. During this period, the following performance metrics service shall also be met:

1. SacRT will meet or exceed the requirements in the SacRT Transit Asset Management (TAM) Plan for the percentage of buses and light rail vehicles that meet or exceed useful vehicle life or average vehicle age benchmarks.
2. SacRT will meet or exceed performance goals and industry standards, adopted by the SacRT Board of Directors, for miles between road calls, on-time performance, missed trips, and safety/security key performance indicators.
3. SacRT will meet or exceed the California Transportation Development Act (TDA) goals and requirements, which currently include meeting minimum farebox recovery ratio requirements and independent performance audits conducted every three years.

Notwithstanding this allocation restriction, prior to the end of the five-year period following implementation of Ordinance No. STA 20-01, the one-third commitment to "Fix It First" vehicle replacement, maintenance, operations and security may be reduced and SacRT may direct a higher percentage of the funds to other activities included in this category, provided the following conditions have been met:

1. The SacRT Chief Financial Officer has certified in writing to the SacRT General Manager/CEO and the SacRT Board of Directors that the performance metrics above have been met.
2. The Chief Financial Officer has submitted a written five-year expenditure plan to the General Manager/CEO clearly demonstrating how the performance metrics will be sustained in the future.

Other investments with these funds are intended to provide for improved access for the senior and disabled populations, fare subsidies for transit-dependent riders, financial support for expanded light rail operations, and the implementation of innovative services that will improve transit connections and encourage increased ridership. The following projects will be eligible for funding through this category:

- Basic State of Good Repair, Bus Replacement, Safety, and Security
- Fare Subsidy Program for Students, Seniors, and Low-income Passengers
- Low-floor Trains Systemwide
- Americans with Disabilities Act Upgrades for Bus and Rail
- Zero Emission Vehicle Shuttles
- Maintenance and Operations of New Light Rail Projects

SACRAMENTO REGIONAL TRANSIT DISTRICT (SacRT) MAINTENANCE, OPERATIONS, AND TRANSFORMATIVE SYSTEM IMPROVEMENTS (continued)

- Florin Station TOD Partnership (\$1.0 million)
- SmaRT Ride Microtransit Program

CONGESTION RELIEF IMPROVEMENTS (24.86%) \$2,010.00

24.86% of all annual net sales tax revenues shall be allocated to the agencies indicated for highway, transit or rail projects that reduce congestion, expand capacity, improve operations, and enhance access to the transportation system. Allocations of funding to Caltrans for highway congestion improvements will be used by the department for both project development and capital expenses associated with the projects listed and will provide matching leverage for additional state and federal dollars. Proposed allocation amounts for SacRT bus and light rail projects included as transit and rail congestion improvements are intended to be flexible to allow for the transit agency to best apply the available funding to achieve the maximum benefit in matching funds from state and federal sources.

Transit and Rail Congestion Improvement Projects (13.11%) \$1,060.00

13.11% of all annual net sales tax revenues shall be allocated to SacRT for transit and rail projects that reduce congestion, expand capacity, improve operations and enhance access to the transportation system. The proposed allocation amounts for bus and light rail projects are intended to be flexible to allow for SacRT to best apply the funding to achieve the maximum benefit in matching funds from state and federal resources.

- Capital Improvement Projects \$485.00
 - LRT Gold Line Express Service
 - LRT Green Line Extension (Township 9 – Natomas – Toward 5MF)
 - LRT Extensions to Elk Grove and Folsom
 - BRT to Citrus Heights, Stockton Blvd, and Sunrise in Rancho Cordova
- Increased Routes and Frequencies for Both Bus and Light Rail Operations \$575.00

CONGESTION RELIEF IMPROVEMENTS

(continued)

Highway Congestion Improvement Projects (11.75%) \$950.00

11.75% of all annual net sales tax revenues shall be allocated to Caltrans, Capital Southeast Connector Joint Powers Authority, and the City of Elk Grove for highway congestion improvement projects, including state highway improvements and the Capital Southeast Connector project in Sacramento County. Allocations of funding to Caltrans will be used by the department for both project development and capital expenses associated with the projects included in this category and the funding is intended to provide matching leverage for additional state and federal dollars to ultimately complete the identified projects.

- Caltrans \$650.00
 - Capital City Freeway Bus/Carpool Lanes (I-80 – P Street)
 - I-5 Bus/Carpool Lanes (US-50 – SMF)
 - I-5/I-80 Interchange Complex Improvements
 - I-5/US-50 Interchange Complex Improvements
 - SR-99/US-50/Bus-80 Interchange Complex Improvements
- Capital Southeast Connector (SR-99 – US-50) \$248.00
- Widen, Rebuild, and Extend Kammerer Road (City of Elk Grove) \$52.00

SENIOR AND DISABLED TRANSPORTATION SERVICES (3.09%) \$250.00

3.09% of all annual net sales tax revenues shall be allocated to SacRT and any designated consolidated transportation services agency to provide transit services for the county’s senior and disabled populations, including vehicle acquisition, operations of Americans with Disabilities Act and Non-Americans with Disabilities Act demand response service and maintenance, development and implementation of scheduling, communications, and service delivery technology to improve customer interface, senior and disabled low-fare discount programs, planning and implementation of new services to accommodate growing customer base, such as SacRT’s SmartRide service, or other similar services, for senior and disabled populations, maintenance and delivery of social services transportation, mobility training, and other innovative mobility management programs designed for elderly and disabled populations.

AIR QUALITY (2.20%) **\$ 177.50**

2.20% of all annual net sales tax revenues shall be allocated to the Sacramento Metropolitan Air Quality Management District (SMAQMD) to provide funding for monitoring, planning, emission reduction, and future mobility programs to promote clean air, mitigate climate change and transportation pollution, respond to wildfire smoke impacts, and achieve and maintain health-based air quality standards and low-carbon development goals. Meeting these standards as demonstrated in an approved State Implementation Plan for Sacramento Region is a legally binding requirement for the region to receive federal funds for road widening, new roads, and other infrastructure projects. The funds will also leverage millions in State dollars to support other regional efforts for active transportation and land use, electrification of the transportation sector, and future mobility options, including deployment of electric school buses, electric transit for first- and last-mile trips, charging and hydrogen fueling infrastructure, and micro-mobility shared uses.

REGIONAL MOBILITY CENTER **\$ 20.00**

\$500,000 in annual net sales tax revenues, not to exceed \$20 million for the program period, shall be available to the City of Sacramento for a Regional Mobility Center to provide funding in collaboration with other public and private entities, for a center to foster innovation in clean transportation, including electric and automated vehicle technology, to develop future smart mobility solutions for the region. The center will provide a platform for industry innovators, educational institutions and clean tech regulators to conduct research and development work to create new technology and hardware, and provide a supportive regional environment to attract and grow transformative mobility startup businesses in the area, adding new jobs and stimulating investment in clean and innovative mobility solutions. The center will also contribute to machinery and equipment costs that will be used to train a future workforce for the clean mobility sector.

COMMUTER RAIL SERVICE ENHANCEMENTS **\$ 80.00**

\$2 million in annual sales tax revenues, not to exceed \$80 million for the program period, shall be available to the San Joaquin Regional Rail Commission for operations and serve enhancements related to the Altamont Corridor Express (ACE) service that benefit Sacramento County residents. Determination of that benefit shall be based on the route-miles of ACE service and the number of stations served by ACE in Sacramento County.

SACRAMENTO INTERMODAL TRANSIT FACILITY **\$ 40.00**

\$1 million in annual sales tax revenues, not to exceed \$40 million for the program period, shall be available to the City of Sacramento for support of operations related to the Sacramento Intermodal Transfer Facility.

TRANSPORTATION MANAGEMENT AGENCIES **\$ 8.00**

\$200,000 in annual sales tax revenues, not to exceed \$8 million for the program period, shall be available to the Sacramento Area Council of Governments (SACOG) and Sacramento Metropolitan Air Quality Management District (SMAQMD) to support the activities of Transportation Management Agencies in Sacramento County. Allocation details and program performance metrics will be developed by SACOG and SMAQMD in coordination with county Transportation Management Agencies prior to April 1, 2021, and subject to approval of the Authority.

AMERICAN RIVER PARKWAY **\$ 63.00**

Not more than \$63 million in sales tax revenues will be dedicated to the County of Sacramento, Department of Regional Parks, for the American River Parkway. The available funds will be allocated as follows: \$1 million per year from April 1, 2021, through March 31, 2039, and \$2 million per year for the remaining period of Measure A through March 31, 2061. Activities funded through this program will be coordinated with the appropriate jurisdictions in which the Parkway is located and projects eligible for funding shall include trail maintenance and rehabilitation, habitat preservation, and safety programs for trail segments where crime and safety conditions are an identified problem so as to preserve and enhance active transportation use.

PROGRAM ADMINISTRATION – INDEPENDENT TAXPAYER OVERSIGHT (1.00%) **\$ 83.78**

Not more than 1.00% of all annual sales tax revenues shall be available for Measure A program administration. The 1% limitation applies to administrative expenditures and support for Independent Taxpayer Oversight.

EXTENSION OF THE SACRAMENTO COUNTYWIDE TRANSPORTATION MITIGATION FEE PROGRAM (SCTMFP) **\$331.00**

The amount of revenue to be delivered through contributions from new development through the extension of the SCTMFP for the period April 1, 2039, through March 31, 2061, is estimated to be approximately \$331 million. The intended program allocation for the fees collected by this program is 35% (\$115.9 million) for Local Streets and Roads; 30% (\$99.3 million) for Transit and Road Congestion Improvement Projects and SacRT Maintenance and Operations; 10% (\$33.1 million) for Highway Congestion Improvement Projects on the local freeway system; and 25% (\$82.8 million) for transportation project environmental mitigation.

Allocations for funding from the extension of the SCTMFP are not included in this Expenditure Plan which governs the distribution of revenue resulting from the imposition of all retail transaction and use tax of one-half percent for local transportation purposes for a period of forty (40) years.

Future SCTMFP allocations are subject to validation by a nexus study to be initiated no later than April 1, 2037, as specified in Section IX of this Ordinance and fees collected shall be allocated to specific projects through a process as determined by the Authority in coordination with local jurisdictions and an allocation plan shall be in place prior to April 1, 2039.

Percentages may not add to 100% due to rounding.

Attachment 3

Local Projects of Regional Significance – City of Folsom

Local Projects of Regional Significance - City of Folsom

- Empire Ranch Road/US-50 Interchange
- Oak Avenue Parkway/US-50 Interchange
- Oak Avenue Parkway (Folsom-Auburn Road - American River Canyon Drive)
- Folsom-Auburn Road at Folsom Lake Crossing
- Folsom Blvd/Blue Ravine Road Rail/Trail Grade Separation

The logo for STA (San Joaquin Hills Transportation Authority) features the letters "STA" in a bold, italicized, blue sans-serif font. The text is centered within a white circle that is partially overlaid by a thick, vertical blue bar on the right side of the page.

STA

Attachment 4

Benefits of the Sacramento County Measure A Transportation Sale Tax Expenditure Plan



Contact: Will Kempton
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Bob Magnuson
949-290-9382
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BENEFITS OF THE SACRAMENTO COUNTY MEASURE A TRANSPORTATION SALES TAX EXPENDITURE PLAN

- **The Plan provides nearly \$8.4 billion for transportation projects and programs over the next 40 years.** Annual sales tax revenues are expected to range from \$130 million in 2021 to more than \$300 million in 2061, and the \$3.2 billion available over the next 20 years represents about ten percent of the total funding SACOG recently approved for the MTP/SCS.
- **Nearly \$4 billion will be spent on Local Streets and Roads over the plan period.**
- **Almost \$1.75 billion of sales tax revenues will go to maintenance and repair of local streets and roads.** Coupled with existing local funding and new state money dedicated for “fix it first” purposes, beginning in 2021, nearly \$200 million a year will be available for street and road repair to local jurisdictions in Sacramento County, and that amount will grow with inflation in the future.
- **Roughly \$1.425 billion will be spent on Transformative System Improvements at the local level,** including safety projects, complete streets to enable safe and convenient travel for all users, sidewalk, bicycle and pedestrian improvements, safe routes to schools, ADA compliance, street lighting and signalization, trail upgrades and major arterial improvements.
- **Nearly \$1.8 billion will go to Sacramento Regional Transit for the maintenance, operation and security of our bus and light rail system,** fare subsidy programs for students, seniors and lower-income passengers, and for innovative transit operations such as the SmaRT Ride Microtransit Program.
- **More than \$1.05 billion will be used for transit capital improvement projects,** including light rail extensions, and for increased routes and frequencies for both bus and light rail operations.
- **An additional \$250 million will be allocated to provide transit services for the county’s senior and disabled population.**

- **In all, Sacramento Regional Transit will receive \$3.2 billion from this Plan, an average of \$80 million annually for the program period.** Without these revenues, Sacramento County will be looking at a 30% decline in transit services as opposed to expanding operations by a similar amount to serve our residents, reduce congestion and meet air quality and climate change goals.
- **Almost a billion dollars will be available for highway congestion improvements,** including bus/carpool lanes on major freeways, freeway to freeway interchange improvements to smooth operations, and a connector road between Interstate 5 and Highway 50
- **Local air quality programs will benefit through an augmentation of \$177 million for the Sacramento Metropolitan Air Quality Management District, \$120 million will support commuter rail operations in the county and continue the upgrade of the Sacramento Intermodal Transfer Facility (the downtown Sacramento rail station), \$20 million will be used to help finance a Regional Mobility Center to help foster the development of transportation innovation, \$8 million will assist local Transportation Management Agencies to bring the public and private sector together in support of rideshare opportunities to reduce trip demand, and \$63 million will be dedicated to the preservation of the American River Parkway.**
- **The Plan provides for accountability and transparency in protecting and monitoring the public's investments through independent audits and oversight.**
- **Measure A investments support the successful implementation of the Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS).** Considering the total proposal, the Plan will help the region meet federal and state environmental goals. In November, the Sacramento Area Council of Governments adopted a new MTP/SCS which toughened air quality and trip reduction requirements. The proposed Measure A's sizeable investment in transit and rail, significant additions to our bicycle and pedestrian network, the provision of new mobility options and other transformative system improvements included in the Plan, contributed significantly to the ability of the 2020 MTP/SCS to meet the new environmental targets.
- **The Plan presents a balanced approach to achieving many community objectives and needs the broad support of stakeholders, interest groups and the general public to be successful.**

Attachment 5

Copy of Presentation by STA Staff

STA

Sacramento
Transportation
Authority

City of Folsom

Building the Plan

- Conducted more than a year of Outreach efforts
- Met with over 150 organizations and individuals
- Conducted a Public Opinion Survey of 1,500 Sacramentans
- Held regular meetings with Professional Advisory Group (public works directors and other senior staff from the county's eight cities and local and regional agencies)
- Held detailed meetings with an Ad Hoc Committee of the STA Board
- Conducted five public STA Board meetings



The Process

- The law requires support of a majority of the city councils representing a majority of the county's incorporated population, and the Board of Supervisors.
- The STA's Board of Directors has voted to present this Expenditure Plan for approval by the local jurisdictions in Sacramento County.
- After consideration of the local jurisdictions, the STA Board of Directors must adopt an implementing ordinance by a two-thirds vote.
- The Sacramento County Board of Supervisors by majority vote places Measure A on the ballot.
- The measure must be approved by at least 66 2/3 percent of the electorate to be enacted into law.



Overview of the Sacramento County Measure A Transportation Sales Tax Expenditure Plan

- Approximately \$8.4 billion over 40 years
- 10 Categories

▪ Local Streets and Roads	47.95%	\$3,876,000,000
▪ SacRT Maintenance, Operations and Transformative System Improvements	21.90%	\$1,770,000,000
▪ Congestion Relief Improvements	24.86%	\$2,010,000,000
▪ Senior and Disabled Transportation Services	3.09%	\$ 250,000,000
▪ Air Quality	2.20%	\$ 177,500,000
▪ Regional Mobility Center	Off the Top	\$ 20,000,000
▪ American River Parkway	Off the Top	\$ 63,000,000
▪ Transportation Management Agencies	Off the Top	\$ 8,000,000
▪ Rail Operations	Off the Top	\$ 120,000,000
▪ Administration	Off the Top	\$ 83,780,000
Total Roads	60.13%	\$4,826,000,000
Total Rail and Transit	39.87%	\$3,200,000,000



Estimated Benefits to the City of Folsom

Local Streets and Roads

Local Street/Road Repair and Transformational System Improvements	\$	168,050,000
Local Projects of Regional Significance	\$	73,500,000
SacRT Maintenance and Operations	\$	93,000,000
Congestion Relief Improvements		
Transit and Rail Congestion Improvement Projects	\$	126,630,000
Highway Congestion Improvement Projects	\$	96,450,000
Senior and Disabled Transit	\$	13,750,000
Air Quality	\$	9,000,000
Regional Mobility Center		
Rail Operations	\$	17,140,000
American River Parkway		
Transportation Management Agencies	\$	1,140,000
Administration	\$	4,190,000
Total	\$	603,000,000



Local Projects and Programs

- “Fix It First” Street Maintenance and Rehabilitation
- Construct US-50 at Empire Ranch Road Interchange
- Construct US-50 at Oak Avenue Parkway Interchange
- Widen White Rock Road (Prairie City Road – Empire Ranch Road)
- Folsom Blvd Bicycle Overcrossing
- Intelligent Transportation System Improvements
- Bicycle Master Plan Implementation
- Pedestrian Master Plan Implementation
- Americans with Disabilities Act Transition Plan Implementation
- Folsom Lake State Recreation Area Trail Projects
- Support of a Local Transportation Management Agency



**WE REQUEST YOUR SUPPORT
FOR THE RESOLUTION TO
APPROVE THE
TRANSPORTATION
EXPENDITURE PLAN FOR THE
PROPOSED 2020
TRANSPORTATION SALES TAX
BALLOT MEASURE.**

