

A. CFD 2006-1, IA #22, Formation, Election and Ordinance Public Hearing

Recommendation: The City Council of the City of Cathedral City, acting on behalf of Improvement Area (IA) No. 22 of the City of Cathedral City Community Facilities District (CFD) 2006-1 (law enforcement, police, paramedic, park and general maintenance services), adopt the following:

- Resolution of Formation determining the validity of prior proceedings (Resolution 2024-40, Resolution of Intention)
- Resolution Calling for a Special Election
- Resolution Canvassing the Results of the Special Election
- Introduce the 1st reading of an Ordinance Authorizing the Levy of a Special Tax

RESOLUTION NO. 2024-_____

RESOLUTION OF FORMATION OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY DETERMINING THE VALIDITY OF PRIOR PROCEEDINGS, ESTABLISHING IMPROVEMENT AREA NO. 22 OF THE CITY OF CATHEDRAL CITY COMMUNITY FACILITIES DISTRICT NO. 2006-1 (LAW ENFORCEMENT, FIRE, PARAMEDIC, PARK MAINTENANCE AND GENERAL MAINTENANCE SERVICES)

WHEREAS, the City Council (the “Council”) of the City of Cathedral City, California (the “City”), has heretofore adopted Resolution No. 2024-40 stating its intention to form Improvement Area No. 22 of the City of Cathedral City Community Facilities District No. 2006-1 (law enforcement, fire, paramedic, park maintenance and general services) (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the “Act”); and

WHEREAS, a copy of Resolution No. 2024-40, incorporating a description and map of the proposed boundaries of The District and setting forth the rate and method of apportionment and manner of collection of the special tax to be levied within the District, which will be used to finance a portion of the cost of providing police protection services, fire protection/paramedic services and park maintenance services that are in addition to those provided in the territory within the District prior to the formation of the District and do not supplant services already available within the territory of proposed to be included in the District, is on file with the City Clerk and incorporated herein by reference; and

WHEREAS, Resolution No. 2024-40 set October 9, 2024 as the date of the public hearing on the formation of the District and this Council held the said public hearing as required by law; and

WHEREAS, at said hearing all persons not exempt from the special tax desiring to be heard on all matters pertaining to the formation of the District were heard and a full and fair hearing was held; and

WHEREAS, at said hearing evidence was presented to the Council on said matters before it, and this Council at the conclusion of said hearing is fully advised in the premises;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Pursuant to Section 53325.1(b) of the Government Code, the Council finds and determines the proceedings prior hereto were valid and in conformity with the requirements of the Act.

Section 2. A community facilities district to be designated “Improvement Area No. 22 of the City of Cathedral City Community Facilities District No. 2006-1 (law enforcement, fire, paramedic, park maintenance and general maintenance services)” is hereby established pursuant to the Act.

Section 3. The description and map of the boundaries of the District on file in the City Clerk's office and as described in said Resolution No. 2024-40 and incorporated herein by reference, shall be the boundaries of the District. The map of the proposed boundaries of the District has been recorded in the Office of the County Recorder of Riverside County, California in Book 94 page 41 of the Book of Maps of Assessments and Community Facilities Districts (Instrument Number 2024-0312688).

Section 4. Except where funds are otherwise available, there shall be levied annually in accordance with procedures contained in the Act, a special tax sufficient to finance a portion of the cost of providing police protection, fire protection/paramedic and park maintenance services that are in addition to those provided in the territory within The District prior to the formation of the District and do not supplant services already available within the territory proposed to be included in the District. The rate and method of apportionment of the special tax and manner of collection is described in detail in Exhibit "A" attached hereto and incorporated herein by this reference. The special tax shall be utilized to pay for authorized services.

Section 5. Pursuant to and in compliance with the provisions of Government Code Section 50075.1, the Council hereby establishes the following accountability measures pertaining to the levy by the District within the District of the special tax:

- A. Such special tax shall be levied for the specific purposes set forth herein.
- B. The proceeds of the levy of such special tax shall be applied only to the specific purposes set forth herein.
- C. The District shall establish an account or accounts into which the proceeds of such special tax shall be deposited.
- D. The City Manager, or his or here designee, acting for and on behalf of the District, shall annually file a report with the Council as required pursuant to Government Code Section 50075.3.

Section 6. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all real property in the District, and this lien shall continue in force and effect until the special tax obligation is canceled in accordance with law or until collection of the tax by the City ceases.

Section 7. The Council finds that the proposed public services are necessary to meet the increased demand put upon the City as a result of the development within the District.

Section 8. The Council finds that there is not an ad valorem property tax currently being levied on property within the proposed the District for the exclusive purpose of financing police, fire, paramedic and park maintenance services.

Section 9. Written protests against the establishment of the District, or against the furnishing of specified services or facilities or the levying of a specified special tax within the

District, have not been filed by fifty percent (50%) or more of the registered voters or property owners of one-half (1/2) or more of the area of land within the proposed the District.

Section 10. Written protests against the future annexation of the Future Annexation Area, or against the furnishing of specified services or facilities or the levying of a specified special tax within such Future Annexation Area, have not been filed by fifty percent (50%) or more of the registered voters or property owners of one-half (1/2) or more of the area of land within the Future Annexation Area.

Section 11. The Office of the City Manager, 68700 Avenida Lalo Guerrero, Cathedral City, California 92234, (760) 770-0340, or its designee, is designated to be responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number and for estimating future special tax levies pursuant to Section 53340.1 of the Government Code.

Section 12. The City Clerk is directed to certify and attest to this Resolution and to take any and all necessary acts to call, hold, canvass and certify an election or elections on the levy of the special tax, and the establishment of the appropriation limit.

PASSED, APPROVED and ADOPTED this 13th day of November, 2024 by the following votes:

AYES:

NOES:

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

REVIEWED:

CITY MANAGER

EXHIBIT A
RATE AND METHOD OF APPORTIONMENT
OF SPECIAL TAX

PROPOSED BOUNDARIES OF
IMPROVEMENT AREA NO. 22
OF CITY OF CATHEDRAL CITY
COMMUNITY FACILITIES DISTRICT NO. 2006-1
(THE WREN)
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

(1) Filed in the office of the City Clerk of the City of Cathedral City this 9th day of October, 2024.

Tracey R. Hermosillo
Tracey R. Hermosillo, CMC, City Clerk of Cathedral City

(2) I hereby certify that the within map showing the proposed boundaries of Improvement Area No. 22 of City of Cathedral City Community Facilities District No. 2006-1 (The Wren), Riverside County, State of California, was approved by the City Council at a regular meeting thereof, held on this 9th day of October, 2024, by its Resolution No. 2024-40.

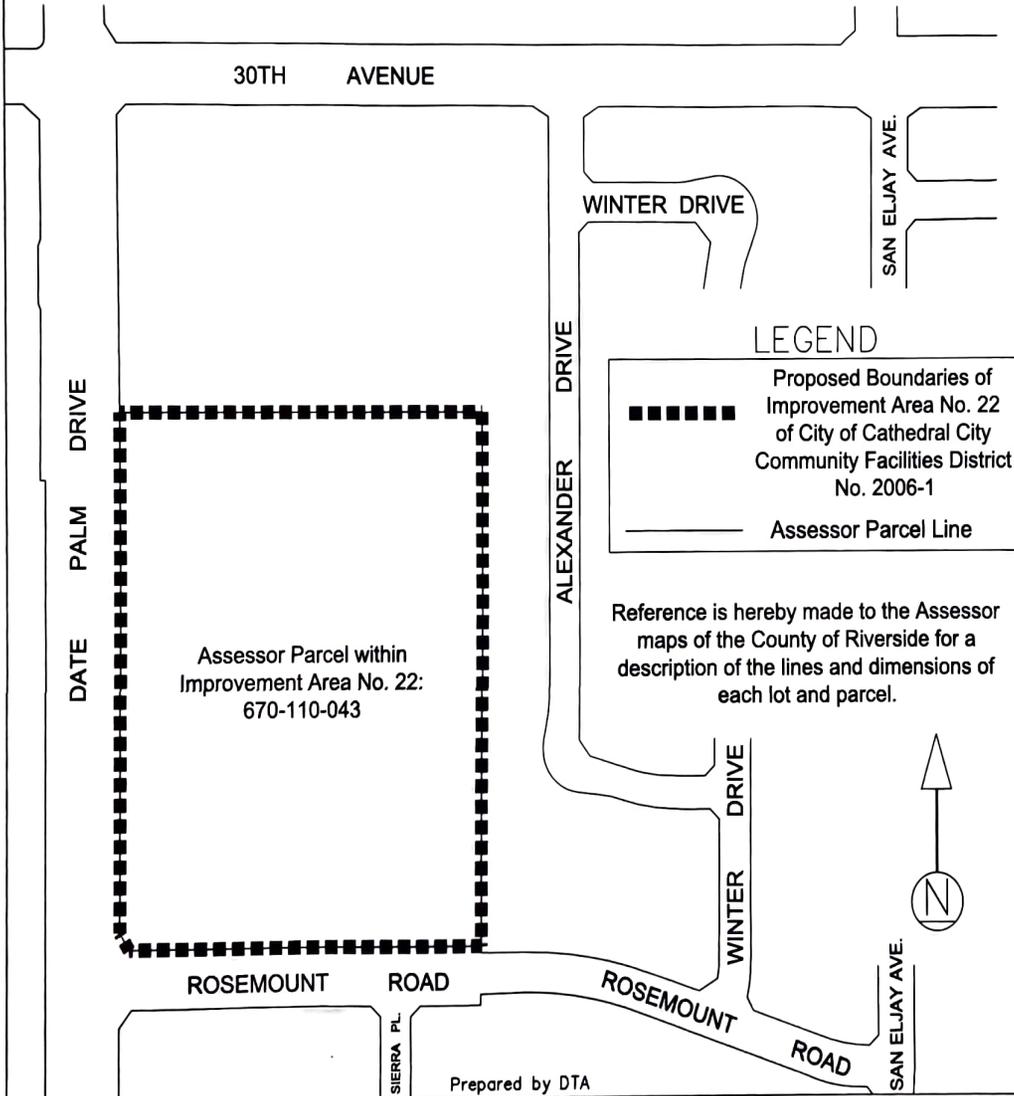
Tracey R. Hermosillo
Tracey R. Hermosillo, CMC, City Clerk of Cathedral City

(3) Filed this 17th day of October, 2024, at the hour of 10:47 o'clock a.m. in Book 94 of Maps of Assessment and Community Facilities Districts at page 41 and as Instrument No. 2024-0312688 in the office of the County Recorder of Riverside County, State of California.

Peter Aldana
Assessor-County Clerk-Recorder of Riverside County

By Jackie
Deputy

Fee \$ 9.00



Reference is hereby made to the Assessor maps of the County of Riverside for a description of the lines and dimensions of each lot and parcel.

RESOLUTION NO. 2024-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY ACTING ON BEHALF OF IMPROVEMENT AREA NO. 22 OF THE CITY OF CATHEDRAL CITY COMMUNITY FACILITIES DISTRICT NO. 2006-1 (LAW ENFORCEMENT, FIRE, PARAMEDIC, PARK MAINTENANCE AND GENERAL MAINTENANCE SERVICES) CALLING A SPECIAL ELECTION

WHEREAS, the City Council (the “Council”) of the City of Cathedral City, California (the “City”), has heretofore adopted Resolution No. 2024-40 stating its intention to form Improvement Area No. 22 of the City of Cathedral City Community Facilities District No. 2006-1 (law enforcement, fire, paramedic, park maintenance and general maintenance services) (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the “Act”); and

WHEREAS, a copy of Resolution No. 2024-40, incorporating a description and map of the proposed boundaries of the District and setting forth the rate and method of apportionment and manner of collection of the special tax to be levied within the District, which will be used to finance a portion of the cost of providing police protection, fire protection/paramedic and park maintenance services that are in addition to those provided in the territory within the District prior to the formation of the District and do not supplant services already available within the territory proposed to be included in the District, is on file with the City Clerk and incorporated herein by reference; and

WHEREAS, on November 13, 2024 this Council held a noticed hearing as required by law relative to the proposed formation of the District; and

WHEREAS, at said hearing all persons not exempt from the special tax desiring to be heard on all matters pertaining to the formation of the District were heard and a full and fair hearing was held; and

WHEREAS, at said hearing evidence was presented to this Council on said matters before it, and this Council at the conclusion of said hearing was and is fully advised in the premises; and

WHEREAS, this Council adopted its Resolution No. 2024-_____ (the “Resolution of Formation”) determining the validity of prior proceedings and establishing the District; and

WHEREAS, the proposed special tax to be levied upon property within the District to finance the above referenced public services has not been precluded by protest of the owners of one-half (1/2) or more of the area of land within the District; and

WHEREAS, this Council wishes to present to the qualified electors of the District a proposition to levy special taxes on property within the District;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Pursuant to Government Code Section 53353.5, the Council hereby submits to the qualified electors of the District a proposition (the "Proposition") to levy special taxes on property within the District in accordance with the rate and method specified in the Resolution of Formation. The Proposition is attached as Exhibit "A."

Section 2. A special election is hereby called for the District on the Proposition set forth in Section 1 above.

Section 3. The City Clerk shall hand deliver the ballot to the landowner immediately upon the adoption of this Resolution or shall have mailed the ballot in advance.

Section 4. The date of the special election for the District on the Proposition shall be on November 13, 2024. The voter ballot shall be returned to the City Clerk at 68700 Avenida Lalo Guerrero, Cathedral City, California 92234, no later than 5:30 o'clock p.m. on November 13, 2024.

Section 5. The Council finds and determines that there were no registered voters residing within the territory of proposed District at the time of the protest hearing and ninety (90) days prior thereto.

Section 6. The District shall constitute a single election precinct for the purpose of holding said election.

Section 7. The Council hereby directs that the election be conducted by the City Clerk of the City of Cathedral City, as the elections official.

PASSED, APPROVED and ADOPTED this 13th day of November, 2024 by the following votes:

AYES:

NOES:

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

REVIEWED:

CITY MANAGER

RESOLUTION NO. 2024-_____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY ACTING ON BEHALF OF IMPROVEMENT AREA NO. 22 OF THE CITY OF CATHEDRAL CITY COMMUNITY FACILITIES DISTRICT NO. 2006-1 (LAW ENFORCEMENT, FIRE, PARAMEDIC, PARK MAINTENANCE AND GENERAL MAINTENANCE SERVICES) CANVASSING THE RESULTS OF THE SPECIAL ELECTION HELD WITHIN SAID DISTRICT

WHEREAS, the City Council of the City of Cathedral City, California (the “Council”) has previously conducted proceedings pertaining to the formation of Improvement Area No. 22 of the City of Cathedral City Community Facilities District No. 2006-1 (law enforcement, fire, paramedic, park maintenance and general maintenance services) (the “District”), the rate and method of apportionment of a special tax to finance a portion of the cost of providing certain public services, and the calling of a special election in regard to the foregoing; and

WHEREAS, on November 13, 2024 a special election was held within the District regarding the rate and method of apportionment of the proposed special tax; and

WHEREAS, at such special election the proposal for the rate and method of apportionment and manner of collection of the special tax for the District was approved by the qualified electors of the District;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. It is hereby determined that the election conducted within the District was duly conducted.

Section 2. The Council, acting as the legislative body of the District, is authorized to levy the special tax on behalf of District, as specified in Resolution No. 2024- __ adopted by the City Council on November 13, 2024.

PASSED, APPROVED and ADOPTED this 13th day of November, 2024 by the following votes:

AYES:

NOES:

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

REVIEWED:

CITY MANAGER

ORDINANCE NO. _____

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2006-1 (LAW ENFORCEMENT, FIRE, PARAMEDIC, PARK MAINTENANCE AND GENERAL MAINTENANCE SERVICES) OF THE CITY OF CATHEDRAL CITY AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT

WHEREAS, on October 9, 2024, the City Council (the “Council”) of the City of Cathedral City, California (the “City”) adopted Resolution No. 2024-40 stating its intention to form Improvement Area No. 22 of the City of Cathedral City Community Facilities District No. 2006-1 (law enforcement, fire, paramedic, park maintenance and general maintenance services) (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the “Act”); and

WHEREAS, notice was published as required by law relative to the intention of the Council to form the district; and

WHEREAS, on November 13, 2024 this Council held a noticed public hearing as required by law relative to the determination to proceed with the formation of the district and the rate and method of apportionment and manner of collection of the special tax to be levied within the District to finance certain public services; and

WHEREAS, at said hearing all persons desiring to be heard on all matters pertaining to the formation of the district were heard and a full and fair hearing was held; and

WHEREAS, the Council subsequent to said hearing adopted Resolution No. 2024-___ (the “Resolution of Formation”) determining the validity of prior proceedings relative to the formation of the district and establishing the district; and

WHEREAS, the Council subsequent to said hearing adopted Resolution No. 2024-___ which called an election within the district for November 13, 2024 on the proposition of levying a special tax; and

WHEREAS, on November 13, 2024, an election was held within the district in which the eligible electors approved by more than two-thirds vote the proposition of levying a special tax.

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Cathedral City as follows:

Section 1. A special tax is levied within the boundaries of the district pursuant to the formula set forth in Exhibit “A” attached hereto and incorporated by reference in an amount necessary to finance a portion of the cost of providing police protection, fire

protection/paramedic and park maintenance services that are in addition to those provided in the territory within the district prior to the formation of the district.

Section 2. This legislative body is hereby further authorized to provide, by resolution adopted as provided in Section 53340 of the Act, for the levy of the special tax in the then current tax year or future tax years, except that the special tax rates to be levied shall not exceed the maximum rates set forth in Exhibit "A".

Section 3. All the collections of the special tax shall be used as provided for in the Act and the Resolution of Formation.

Section 4. The above authorized special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency and provided for ad valorem taxes.

Section 5. The Mayor shall sign this ordinance and the City Clerk shall attest to such signature. The City Clerk is directed to cause the title and summary or text of the this ordinance, together with the vote thereon, to be published within fifteen (15) days after its passage at least once in a newspaper of general circulation published and circulated within the territorial jurisdiction of the City, and to post at the main office of the City a certified copy of the full text of the adopted ordinance along with the names of the Council Members voting for and against the ordinance.

Section 6. This ordinance relating to the levy of the special tax takes effect and shall be in force from and after 30 days from the date of final passage. A copy of this ordinance shall be transmitted to the Clerk of the Board of Supervisors of Riverside County, the Assessor, and the Treasurer-Tax Collector of Riverside County.

PASSED, APPROVED and ADOPTED this 13th day of November, 2024 by the following votes:

AYES:

NOES:

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

REVIEWED:

CITY MANAGER

EXHIBIT A

RATE AND METHOD OF APPORTIONMENT

**RATE AND METHOD OF APPORTIONMENT FOR
IMPROVEMENT AREA NO. 22 OF
COMMUNITY FACILITIES DISTRICT NO. 2006-1
(THE WREN)
OF THE CITY OF CATHEDRAL CITY**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in Improvement Area No. 22 ("IA No. 22") of Community Facilities District No. 2006-1 of the City of Cathedral City ("CFD No. 2006-1") and collected each Fiscal Year commencing in Fiscal Year 2024-2025, in an amount determined by the Council through the application of the appropriate Special Tax for "Developed Property" as described below. All of the real property in IA No. 22, 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. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map.

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

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of IA No. 22: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs to the City, IA No. 22 or any designee thereof of complying with City or IA No. 22 disclosure requirements; the costs associated with responding to public inquiries regarding the Special Taxes; the costs of the City, IA No. 22 or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or IA No. 22 for any other administrative purposes of IA No. 22, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

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

"CFD Administrator" means an official of the City, or designee thereof, responsible for the annual administration of IA No. 22 as provided herein.

"**CFD No. 2006-1**" means Community Facilities District No. 2006-1 of the City.

"**City**" means the City of Cathedral City.

"**Consumer Price Index**" means the Consumer Price Index published by the U.S. Bureau of Labor Statistics for "All Urban Consumers" in the Los Angeles - Anaheim - Riverside Area, measured as of the month of December in the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index for the City of Los Angeles.

"**Council**" means the City Council of the City, acting as the legislative body of CFD No. 2006-1.

"**County**" means the County of Riverside.

"**Developed Property**" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued after March 1, 2024 and prior to May 1 of the previous Fiscal Year.

"**Fiscal Year**" means the period starting July 1 and ending on the following June 30.

"**Floor Area**" for any Non-Residential Property means the total square footage of the building(s) located on such property, measured from outside wall to outside wall, exclusive of overhangs, porches, patios, carports, or similar spaces attached to the building but generally open on at least two sides. The determination of Floor Area shall be made by reference to the building permit(s) issued for such Assessor's Parcel.

"**Improvement Area No. 22**" means Improvement Area No. 22 of CFD No. 2006-1 (The Wren), as identified on the boundary map for CFD No. 2006-1.

"**Land Use Class**" means any of the classes listed in Table 1.

"**Maximum Special Tax**" means the Maximum Special Tax, determined in accordance with Section C.1 below, which can be levied in any Fiscal Year on any Assessor's Parcel.

"**Non-Residential Property**" means all Assessor's Parcels for which a building permit(s) was issued for a non-residential use.

"**Non-Retail Commercial/Industrial Property**" means all Assessor's Parcels of Developed Property that are considered Non-Residential Property and that are not Retail Commercial Property.

"**Property Owner Association Property**" means, for each Fiscal Year, any Assessor's Parcel within the boundaries of IA No. 22 that was owned by or irrevocably offered for

dedication to a property owner association, including any master or sub-association, as of January 1 of the previous Fiscal Year.

"Public Property" means, for each Fiscal Year, (i) any property within the boundaries of IA No. 22 that was owned by or irrevocably offered for dedication to the federal government, the State, the City or any other public agency as of January 1 of the previous Fiscal Year; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use; or (ii) any property within the boundaries of IA No. 22 that was encumbered, as of January 1 of the previous Fiscal Year, by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

"Residential Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for purposes of constructing one or more residential dwelling units.

"Retail Commercial Property" means all Assessor's Parcels of Non-Residential Property for which the building permit was issued for a retail sales tax generating use or which is being used primarily for a retail sales tax generating use, as determined by the CFD Administrator. However, if the land use of an Assessor's Parcel changes and such Assessor's Parcel no longer generates retail sales tax, such Assessor's Parcel shall no longer be considered Retail Commercial Property and shall be classified and taxed according to its use, as determined by the CFD Administrator.

"Special Tax" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of IA No. 22 which are not exempt from the Special Tax pursuant to law or Section E below.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property.

"Welfare Exemption" means, for each Fiscal Year, any Assessor's Parcel that is used exclusively for charitable, hospital, or religious purposes and that has a property tax welfare exemption as indicated in the County's assessor's roll finalized as of the last preceding January 1.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, all Taxable Property within IA No. 22 shall be classified as Developed Property or Undeveloped Property and shall be subject to Special Taxes in accordance

with the rate and method of apportionment determined pursuant to Section C. Residential Property shall be assigned to Land Use Class 1. Non-Retail Commercial/Industrial Property shall be assigned to Land Use Class 2.

C. MAXIMUM SPECIAL TAX

1. Developed Property

a. Maximum Special Tax

The Maximum Special Tax for Fiscal Year 2024-2025 for each Land Use Class is shown below in Table 1.

TABLE 1
Maximum Special Tax for Developed Property
For Fiscal Year 2024-2025
Improvement Area No. 22

Land Use Class	Description	Maximum Special Tax
1	Residential Property	\$669.50 per unit
2	Non-Retail Commercial/Industrial Property	\$0.1556 per square foot of Floor Area

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2025, the Maximum Special Tax shall be increased (but not decreased) by the percentage change in the Consumer Price Index not to exceed one percent (1%) per Fiscal Year.

c. Multiple Land Use Classes

In some instances an Assessor’s Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor’s Parcel shall be the sum of the Maximum Special Taxes that can be levied for all Land Use Classes located on that Assessor’s Parcel.

2. Undeveloped Property

No Special Tax shall be levied on Undeveloped Property.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2024-2025 and for each following Fiscal Year, the Council shall levy the Special Tax on each Assessor's Parcel of Developed Property at 100% of the applicable Maximum Special Tax.

E. EXEMPTIONS

No Special Tax shall be levied on Retail Commercial Property, Property Owner Association Property, Public Property, or any Assessor's Parcel that has a Welfare Exemption. However, should an Assessor's Parcel no longer be classified as Retail Commercial Property, Property Owner Association Property, Public Property, or have a Welfare Exemption, its tax-exempt status will, without the necessity of any action by the Council, terminate.

F. APPEALS AND INTERPRETATIONS

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously 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 Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

G. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that IA No. 22 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

H. TERM OF SPECIAL TAX

The Council is authorized to levy the Special Tax in perpetuity.