

Resolution 24-46

Resolution Of Intention Of The Board of Directors of the San Miguel Consolidated Fire Protection District Declaring Intention to Annex Territory to Community Facilities District 2022-1 and Adopting A Map of the Area Proposed to be Annexed Thereto (Annexation 8, APN 484-091-42-00)

WHEREAS, the Board of Directors (the "Board") of the San Miguel Consolidated Fire Protection District (the "District") has established the San Miguel Consolidated Fire Protection District Community Facilities District 2022-1 ("CFD 2022-1") for the purpose of levying special taxes on parcels of taxable property therein for the purpose of providing certain services which are necessary to meet increased demands placed upon the District as a result of the development of said real property; and

WHEREAS, the territory which is included in CFD 2022-1 is described on the map of CFD 2022-1 recorded in Book 50 of Maps of Assessment and Community Facilities Districts, page(s) 41 in the office of the County Recorder for the County of San Diego, State of California; and

WHEREAS, the Board has received a written petition from SALAMA INVESTMENTS, LLC, the owner of certain real property within the District requesting that such property be annexed to CFD 2022-1 in order that they may be developed and receive the benefit of services, which will be financed by the annual levy of special taxes on said property for the purpose set forth in Exhibit "A" (the "Services"); and agreeing to the annual levy of special taxes on said property sufficient to pay the costs of such Services and costs incidental thereto; and

WHEREAS, the Board is authorized by Article 3.5 (commencing with Section 53339) of Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code, commonly known as the "Mello-Roos Community Facilities Act of 1982," (the "Act") to annex territory to CFD 2022-1 by complying with the procedures set forth in said Article 3.5.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the San Miguel Consolidated Fire Protection District, California, as follows:

Section 1.

Recitals. The above recitals are true and correct and are hereby incorporated into this resolution.

Section 2.

Name of District. The name of the existing community facilities district is the San Miguel Consolidated Fire Protection District Community Facilities District 2022-1.

Section 3.

Intention. The Board declares its intention to conduct proceedings pursuant to said Article 3.5 of the Act for territory proposed for annexation designated "Annexation 8" to CFD 2022-1 as described in Exhibit "B" attached hereto. The Board determines that the public convenience and necessity require that such territory be annexed to CFD 2022-1.

Section 4.

Description of Territory Proposed To Be Annexed; Annexation Map. Annexation 8 to be annexed to CFD 2022-1 is described in Exhibit "B" attached hereto and by this reference made a part hereof. Such territory is also shown and described on the map thereof entitled "Annexation Map 8 of Community Facilities District 2022-1, San Miguel Consolidated Fire Protection District, San Diego County, State of California" which is on file with the Board Clerk (the "Annexation Map").

Section 5.

Types of Services; Incidental Expenses. Services authorized to be financed by CFD 2022-1 are set forth in Exhibit "A." The District shall also finance costs associated with the determination of the amount of and the levy and collection of special taxes which are levied to provide such Services and costs otherwise incurred in order to carry out the authorized purposes of CFD 2022-1.

Section 6.

Special Taxes. Except where funds are otherwise available, special taxes sufficient to pay the costs of the Services provided for in Section 5 above and the annual administrative expenses of the District and CFD 2022-1 in determining, apportioning, levying and collecting such special taxes, shall be annually levied within CFD 2022-1. Pursuant to Section 53340 of the California Government Code, the special taxes shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for ad valorem taxes. However, under no circumstances shall the special tax levied against any parcel subject to the levy of the special tax pursuant to the rates and method of apportionment be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within CFD 2022-1 by more than ten percent (10%). The rate and method of apportionment of said special taxes shall be as set forth in Exhibit "C" attached hereto and by this reference made a part hereof.

Section 7.

Adoption of Annexation Map. Pursuant to Section 3110.5 of the Streets and Highways Code, the Board adopts the Annexation Map as the map of the area proposed to be annexed to CFD 2022-1. Pursuant to Section 3111 of said Code, the Board Clerk shall file the original of the Annexation Map in his or her office and shall file a copy of the Annexation Map with the County Recorder of the County of San Diego no later than 15 days prior to the date of the hearing specified in Section 10 hereof.

Section 8.

Exempt Properties. Pursuant to Section 53340 of the California Government Code, properties of entities of the state, federal, and local governments shall be exempt from the levy of special taxes of CFD 2022-1.

Section 9.

Necessity. The Board finds that the Services described in Section 5 hereof are necessary to meet increased demands placed upon the District as a result of development occurring within the boundaries of the proposed annexation of territory to CFD 2022-1.

Section 10.

Hearing on Annexation of Territory. A public hearing on the annexation of territory into CFD 2022-1 shall be held at 5:30 pm on November 13, 2024, or as soon thereafter as the Board may consider the matter, in the Board Chambers, located at 2850 Via Orange Way, Spring Valley, CA 91978.

Section 11.

Notice. The Board Clerk shall publish a notice of the time and place of said hearing as required by Section 53322 of the California Government Code, and shall also give notice of the time and place of said hearing by first-class mail to each registered voter and to each landowner within the proposed community facilities district as prescribed by Section 53322.4 of said Code. Said notice shall be published at least seven (7) days and mailed at least fifteen (15) days before the date of the hearing, and shall contain the information required by said Section 53322.

Section 12.

Description of Voting Procedures. The voting procedures to be followed in conducting the election on the proposition with respect to the levy of special taxes within the territory proposed to be annexed to CFD 2022-1 shall be as follows:

- a) If at the time of the close of the public or protest hearing (hereinafter referred to as the "protest hearing") at least 12 persons are registered to vote within the territory proposed to be annexed to CFD 2022-1, the election shall be conducted by the Board Clerk, and shall be held on a date selected by the Board in conformance with the provisions of Section 53326 of the California Government Code ("Section 53326") and pursuant to the applicable provisions of law regulating elections of the District, insofar as they may be applicable, and pursuant to Section 53326 the ballots for the election shall be distributed to the qualified electors of the territory proposed to be annexed to CFD 2022-1 by mail with return postage prepaid and the election shall be conducted as a mail ballot election.
- b) If at the time of the close of the protest hearing, and for at least the preceding 90 days, less than 12 persons have been registered to vote within the territory proposed to be annexed to CFD 2022-1, and pursuant to Section 53326, the vote is therefore to be by

the landowners of that territory, with each landowner of record at the close of the protest hearing having one vote for each acre or portion of an acre of land that he or she owns, the election shall be conducted by the Board Clerk as follows:

1. The election shall be held on the earliest date following the conclusion of the protest hearing upon which it can be held pursuant to Section 53326 which may be selected by the Board, or such earlier date as the owners of land within the territory proposed to be annexed to CFD 2022-1 and the Board Clerk agree and concur is acceptable.
2. Pursuant to Section 53326, the election may be held earlier than 90 days following the close of the protest hearing if the qualified electors of the territory proposed to be annexed to CFD 2022-1 waive the time limits for conducting the election set forth in Section 53326 by unanimous written consent and the Secretary of the Board concurs in such earlier election date as shall be consented to by the qualified electors.
3. Pursuant to Section 53326, ballots for the election shall be distributed to the qualified electors by the Board Clerk by mail with return postage prepaid or by personal service.
4. Pursuant to applicable provisions of law regulating elections of the District, which govern the conduct of mail ballot elections, and Division 4 (commencing with Section 4000) of the California Elections Code with respect to elections conducted by mail, the Secretary of the Board shall mail or deliver to each qualified elector an official ballot in a form specified by the Board in the resolution calling the election, and shall also mail or deliver to all such qualified electors a ballot pamphlet and instructions to voter, including a sample ballot identical in form to the official ballot but identified as a sample ballot, a statement pursuant to Section 9401 of the said Code, an impartial analysis by the District's Legal Counsel pursuant to Section 9280 of the said Code with respect to the ballot proposition contained in the official ballot, ballot arguments and rebuttals, if any, pursuant to Sections 9281 to 9287, inclusive, of said Code, a return identification envelope with prepaid postage thereon addressed to the Board Clerk for the return of voted official ballots, and a copy of this resolution; provided, however, that such statement, analysis and arguments may be waived with the unanimous consent of all the landowners of the territory proposed to be annexed to CFD 2022-1 and shall be so stated in the resolution adopted by the Board calling the election.
5. The official ballot to be mailed or delivered by the Board Clerk to each landowner-voter shall have printed or typed thereon the name of the landowner-voter and the number of votes to be voted by the landowner-voter, and shall have appended to it a certification to be signed by the person voting the official ballot which shall certify that the person signing the certification is the person who voted the official

ballot, and if the landowner-voter is other than a natural person, that he or she is an officer of or other person affiliated with the landowner-voter entitled to vote such official ballot, that he or she has been authorized to vote such official ballot on behalf of the landowner-voter, that in voting such official ballot it was his or her intent, as well as the intent of the landowner-voter, to vote all votes to which the landowner-voter is entitled based on its land ownership on the proposition set forth in the official ballot as marked thereon in the voting square opposite such proposition, and further certifying as to the acreage of the landowner-voter's land ownership within the territory proposed to be annexed to CFD 2022-1.

6. The return identification envelope delivered by the Board Clerk to each landowner-voter shall have printed or typed thereon the following: (i) the name of the landowner, (ii) the address of the landowner, (iii) a declaration under penalty of perjury stating that the voter is the landowner or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose name appears on the identification envelope, (iv) the printed name and signature of the voter, (v) the address of the voter, (vi) the date of signing and place of execution of said declaration, and (vii) a notice that the envelope contains an official ballot and is to be opened only by the Board Clerk.
7. The information-to-voter form to be mailed or delivered by the Board Clerk to the landowner-voters shall inform them that the official ballots shall be returned to the Board Clerk properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by 5:30 p.m. on the date of the election.
8. Upon receipt of the return identification envelopes which are returned prior to the voting deadline on the date of the election, the Board Clerk shall canvass the votes cast in the election, and shall file a statement with the Board at its next regular meeting regarding the results of such canvass and the election. The procedures set forth in this section for conducting the election may be modified as the Board may determine to be necessary or desirable by a resolution subsequently adopted by the Board.

Section 13.

Certification. The Board Clerk shall certify the passage and adoption of this resolution.

Section 14.

Effective Date. This Resolution shall take effect immediately from and after the date of its passage and adoption.

PASSED AND ADOPTED by the Board of the San Miguel Consolidated Fire Protection District this 9th day of October 2024, by the following vote:

AYES: **Directors McKenna, Nelson, Pierce, Raddatz, and Woodruff**

NOES: **None**

ABSTAIN: **None**

ABSENT: **Directors Muns and Robles**

ATTEST



Shayna Rians, Board Clerk



Theresa McKenna, Board Vice President

EXHIBIT A
DESCRIPTION OF SERVICES

CFD 2022-1 is authorized to finance any of the services set forth in Section 53313 of the Act, including without limitation fire protection and suppression services, and ambulance and paramedic services, and administrative and incidental expenses related thereto as defined in Section 53317(e) of the Act.

The services to be financed by CFD 2022-1 are in addition to those provided in the territory of CFD 2022-1 before the date of creation of CFD 2022-1 and will not supplant services already available within that territory when CFD 2022-1 is created.

The administrative expenses to be funded by CFD 2022-1 include the direct and indirect expenses incurred by District in carrying out its duties with respect to CFD 2022-1 (including, but not limited to, the levy and collection of the special taxes) including the fees and expenses of attorneys, any fees of the County of San Diego related to CFD 2022-1 or the collection of special taxes, an allocable share of the salaries of the District staff directly related thereto and a proportionate amount of the District's general administrative overhead related thereto, any amounts paid by the District from its general fund with respect to CFD 2022-1 or the services authorized to be financed by CFD 2022-1, and expenses incurred by the District in undertaking action to pursue payment of special taxes which are delinquent, and all other costs and expenses of the District related to CFD 2022-1.

The incidental expenses that may be funded by CFD 2022-1 include, in addition to the administrative expenses identified above, the payment or reimbursement to the District of all costs associated with the establishment and administration of CFD 2022-1.

EXHIBIT B
LEGAL DESCRIPTION OF PROPERTY

The Property is identified as San Diego County, Assessor's Parcel Numbers:

- 484-091-42

EXHIBIT C
RATE AND METHOD OF APPORTION OF SPECIAL TAXES
FOR SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT
COMMUNITY FACILITIES DISTRICT 2022-1
TAX ZONE 1

The Special Tax shall be levied in Annexation 8 in accordance with the Rate and Method of Apportionment of Special Tax for San Miguel Consolidated Fire Protection District Community Facilities District 2022-1 pursuant to the rate for Tax Zone 1 set forth in Attachment 1 thereto. The Rate and Method of Apportionment of Special Tax is attached hereto and incorporated herein by this reference.

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT
COMMUNITY FACILITIES DISTRICT 2022-1**

A Special Tax shall be levied and collected in Community Facilities District 2022-1, San Miguel Consolidated Fire Protection District ("CFD 2022-1") each Fiscal Year, in an amount determined by the application of the procedures described below. All Taxable Property (as defined below) in CFD 2022-1, unless exempted by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

I. DEFINITIONS

The terms used herein shall have the following meanings:

"Accessory Dwelling Unit" or "ADU" means a secondary residential unit of limited size, as defined in California Government Code Section 65852.2(j)(1) as that may be amended from time to time, that is accessory to a single-unit dwelling. The ADU may be on the same Assessor's Parcel as the single-unit dwelling or on a separate Assessor's Parcel. Accessory Dwelling Units are considered Units for purposes of the Special Tax.

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map or in the Assessor's Data for each Assessor's Parcel. In the event the Assessor's Parcel Map or Assessor's Data shows no Acreage, the Acreage for any Assessor's Parcel shall be determined by the CFD Administrator based upon the applicable final map, parcel map, condominium plan, or other recorded County parcel map. If the preceding maps are not available, the Acreage of an Assessor's Parcel may be determined utilizing GIS.

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

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD 2022-1: the costs of computing the Annual Special Tax Requirement and the annual Special Tax and of preparing the annual Special Tax collection schedules; the costs of collecting the Special Tax, including any charges levied by the County Auditor's Office, Tax Collector's Office or Treasurer's Office; the costs of the District or designee in complying with the disclosure requirements of the California Government Code (including the Act), including public inquiries regarding the Special Tax; the costs of the District or designee related to an appeal of the Special Tax; and the costs of commencing and pursuing to completion action arising from any delinquent Special Tax in CFD 2022-1.

"Agricultural Property" means all Assessor's Parcels devoted primarily to agricultural, timber, or livestock uses and being used for the commercial production of agricultural, timber, or livestock products. Typical Assessor's Data use codes include 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 61, 62, 63, 64, 65.

"Annual Services Costs" means the amounts required to fund services authorized to be funded by CFD 2022-1.

"Annual Special Tax Requirement" means that amount with respect to CFD 2022-1 determined by the Board of Directors or designee as required in any Fiscal Year to pay: (1) the Administrative Expenses, (2) the Annual Services Costs, (3) any amount required to establish or replenish any reserve or replacement fund established in connection with CFD 2022-1, and

(4) any reasonably anticipated delinquent Special Tax based on the delinquency rate for any Special Tax levied in the previous Fiscal Year.

“Assessor’s Data” means Units, Building Square Footage, Acreage, or other information contained in the records of the County Assessor for each Assessor’s Parcel.

“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 Assessor of the County designating parcels by Assessor’s Parcel Number.

“Assessor’s Parcel Number” means, with respect to an Assessor’s Parcel, that number assigned to such Assessment’s Parcel by the County Assessor for purposes of identification.

“Assisted Living Property” means all Assessor’s Parcels of Developed Property used as a housing facility for people with disabilities who cannot or who choose not to live alone, according to Assessor’s Data or as otherwise known by the CFD Administrator. Typical Assessor’s Data use codes include 29, 79.

“Backup Special Tax” means the Backup Special Tax applicable to each Assessor’s Parcel of Taxable Property, as determined in accordance with Section III below.

“Building Square Foot(age)” means the structure square footage as shown on the building permit issued or as contained in the Assessor’s Data.

“CFD 2022-1” means the Community Facilities District 2022-1, San Miguel Consolidated Fire Protection District, County of San Diego, State of California.

“CFD Administrator” means an official of the District, or designee or agent or consultant, responsible for administering the Special Tax in accordance with this Rate and Method of Apportionment.

“Board of Directors” means the Board of Directors of the District, acting as the legislative body of CFD 2022-1.

“Commercial Property” means all Assessor’s Parcels of Developed Property with a commercial use, according to Assessor’s Data or as otherwise known by the CFD Administrator. Typical Assessor’s Data use codes include 21, 23, 24, 25, 26, 27, 31, 33, 34, 35, 36, 37, 38, 39, and 22 to the extent the building contains stores.

“County” means the County of San Diego, California.

“Developed Property” means, in any Fiscal Year, all Taxable Property in CFD 2022-1 for which a building permit for new construction was issued by the applicable land use authority prior to June 1 of the preceding Fiscal Year.

“District” means the San Miguel Consolidated Fire Protection District, County of San Diego, California.

“Exempt Property” means all property located within the boundaries of CFD 2022-1 which is

exempt from the Special Tax pursuant to Section V below.

“Fiscal Year” means the period from July 1st of any calendar year through June 30th of the following calendar year.

“GIS” means a geographic information system.

“Industrial Property” means all Assessor’s Parcels of Developed Property with an industrial use, according to Assessor’s Data or as otherwise known by the CFD Administrator. Typical Assessor’s Data use codes include 41, 42, 43, 44, 45, 46, 47, 49.

“Maximum Special Tax” means the maximum Special Tax authorized for levy in any Fiscal Year that may apply to Taxable Property as described in Section III.

“Mixed-Use Property” means all Assessor’s Parcels of Developed Property that have more than one property classifications, allowing for both residential and other use types on each such Assessor’s Parcel. For an Assessor’s Parcel of Mixed-Use Property, the Special Tax shall be calculated and levied for each use type present on the Assessor’s Parcel.

“Mobile Home Property” means all Assessor’s Parcels of Developed Property with a movable or portable dwelling spaces available to be connected to utilities and all Assessor’s Parcels of Developed Property with five or more Units available to be connected to utilities as in a mobile home park. As it relates to Mobile Home Property, Units are the number of mobile home spaces on each Assessor’s Parcel. As it relates to mobile home parks, Units are the number of mobile home spaces on each Assessor’s Parcel. Typical Assessor’s Data use codes include 09 & 32.

“Multi-Family Property” means, in any Fiscal Year, all Assessor’s Parcels of Developed Property with two or more Units that share a single Assessor’s Parcel Number, are offered for rent to the general public, and cannot be purchased by individual homebuyers, according to Assessor’s Data or as otherwise known by the CFD Administrator. Multi-Family Property also means, in any Fiscal Year, all Assessor’s Parcels of Developed Property with one Unit with a single Assessor’s Parcel Number that is a condominium pursuant the definition in Civil Code Section 4125 or a townhome. Typical Assessor’s Data use codes include 12, 13, 14, 15, 16, 17, 18.

“Office Property” means all Assessor’s Parcels of Developed Property used as offices, including medical, dental offices and office condominiums, according to Assessor’s Data or as otherwise known by the CFD Administrator. Typical Assessor’s Data use codes include 28, 30, and 22 to the extent the building contains offices.

“Property Owner’s Association” means any property owner’s association. As used in this definition, a Property Owner’s Association includes any home-owner’s association, condominium owner’s association, master or sub-association.

“Property Owner’s Association Property” means any property within the boundaries of CFD 2022-1 which is (a) owned by a Property Owner’s Association or (b) designated with specific boundaries and acreage on a final subdivision map as property owner association property.

“Proportionately” means, for Developed Property that the ratio of the Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property within CFD

2022-1.

“Public Property” means any property within the boundaries of CFD 2022-1 owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public or private road right-of-way making the property unusable for any other purpose has been granted to the federal government, the State of California, the County, the District, or any local government or other public agency.

“Single Family Property” means, in any Fiscal Year, all Parcels of Developed Property with one permanent dwelling Unit, according to Assessor’s Data or as otherwise known by the CFD Administrator. Single Family Property does not include any property that is considered Multi-Family Property. Typical Assessor’s Data use codes include 11.

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

“Tax Escalation Factor” means a factor equal to the annual change in the May to May San Diego-Carlsbad CPI-U Index up to a maximum factor of 5% that will be applied annually after Fiscal Year 2021/22 to increase the Maximum Special Tax shown in Section III. Should the specified index cease to be reported, the CFD Administrator will determine a comparable index to use.

“Tax Zone” means a mutually exclusive geographic area within which the Special Tax may be levied pursuant to this Rate and Method of Apportionment. ***All the Taxable Property within CFD 2022-1 at the time of its formation is within Tax Zone 1.*** Additional Tax Zones may be created when property is annexed to CFD 2022-1, and a separate Maximum Special Tax shall be identified for property within each new Tax Zone at the time of such annexation. The Assessor’s Parcels included within a new Tax Zone when such Parcels are annexed to CFD 2022-1 shall be identified by Assessor’s Parcel number in the annexation documents at the time of annexation.

“Taxable Property” means all Parcels within the boundary of CFD 2022-1 that are not Exempt Property, or exempt from the Special Tax pursuant to the Act.

“Undeveloped Property” means all Parcels of Taxable Property that are not Developed Property.

“Unit” means any individual single family detached or attached home, townhome, condominium, apartment, mobile home or other residential dwelling unit, including each separate living area within a half-plex, duplex, triplex, fourplex, or other residential structure. An Accessory Dwelling Unit that shares a Parcel with a Unit of Single Family Property shall not be considered a separate Unit for purposes of calculating the Special Tax.

“Welfare Exempt Property” means all Parcels within the boundaries of CFD 2022-1 that have been granted a welfare exemption pursuant to subdivision (g) of Section 214 of the Revenue and Taxation Code by the County.

II. DETERMINATION OF TAXABLE PARCELS

On or about July 1 of each Fiscal Year, the CFD Administrator shall determine the valid Assessor’s Parcel Numbers for all Taxable Property within CFD 2022-1. If any Assessor’s Parcel Numbers are no longer valid, the CFD Administrator shall determine the new Assessor’s Parcel Number or Numbers in effect for the then-current Fiscal Year. To the extent a Parcel or

Parcels of Taxable Property are subdivided, consolidated or otherwise reconfigured, the Maximum Special Tax shall be assigned to the new Assessor's Parcels pursuant to Section III. The CFD Administrator shall also determine: (i) the Tax Zone within which each Parcel is located; (ii) which Parcels are Developed Property and Undeveloped Property; (iii) the number of Units, Building Square Footage, or Acreage each Parcel contains; (iv) the property type, i.e. Single Family Property, etc; and (iv) the Annual Special Tax Requirement for the Fiscal Year.

III. SPECIAL TAX - METHOD OF APPORTIONMENT

All Taxable Property shall be subject to a Special Tax defined as follows.

The Special Tax shall be levied each Fiscal Year by the CFD Administrator. The Annual Special Tax Requirement shall be apportioned to each Parcel within CFD 2022-1 by the method shown below.

- First. Determine the Annual Special Tax Requirement.
- Second. Levy the Special Tax on each Parcel of Developed Property, Proportionately, up to the Maximum Special Tax described in the table below to satisfy the Annual Special Tax Requirement.

Under no circumstances will the Special Tax on any Assessor's Parcel of Developed Property be increased by more than 10% as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD 2022-1.

**TABLE 1
MAXIMUM SPECIAL TAX RATES – TAX ZONE
1 FISCAL YEAR 2021/22***

| Property Type | Maximum Special Tax Rate** | Per |
|--------------------------|-----------------------------------|---------------------------------------|
| Single Family Property | \$0.00 | Unit |
| Multi-Family Property | 213.40 | Unit |
| Mobile Home Property | 435.60 | Unit |
| Assisted Living Property | 213.40 | Unit |
| Commercial Property | 171.60 | 1,000 Feet of Building Square Footage |
| Office Property | 422.40 | 1,000 Feet of Building Square Footage |
| Industrial Property | 173.80 | 1,000 Feet of Building Square Footage |

**On each July 1, commencing on July 1, 2022, the Maximum Special Tax Rate for each Tax Zone shall be increased by the Tax Escalation Factor.*

***Rates per the Fiscal Impact Analysis dated June 2021 and include the addition of applicable CFD administration costs.*

A different Maximum Special Tax rate may be identified in Tax Zones added to CFD 2022-1 as a result of future annexations.

In some instances, an Assessor's Parcel of Developed Property may be Mixed-Use Property. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum

Special Tax for all Units and Building Square Feet of each property type on that Assessor's Parcel.

IV. FORMULA FOR PREPAYMENT OF SPECIAL TAX OBLIGATIONS

The Special Tax may not be prepaid.

V. EXEMPTIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on Agricultural Property, Property Owner Association Property or Public Property, except as otherwise provided in Sections 53317.3 and 53317.5 of the Act. Welfare Exempt Property shall be exempt from the Special Tax in each Fiscal Year the property qualifies as Welfare Exempt Property.

VI. INTERPRETATION OF RATE AND METHOD OF APPORTIONMENT

The District reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be at the District's discretion. Interpretations may be made by the Board of Directors by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

VII. MANNER AND DURATION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided that the District may directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner if needed to meet the financial obligations of CFD 2022-1, and may collect delinquent Special Taxes through foreclosure or other available methods.

A Special Tax shall continue to be levied and collected within CFD 2022-1, as needed to fund the Annual Special Tax Requirement, in perpetuity.

VIII. APPEAL OF SPECIAL TAX LEVY

Any property owner may file a written appeal of the Special Tax with the CFD 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 Tax that is disputed, and the appellant must be current in all payments of the Special Tax. In addition, during the term of the appeal process, all Special Tax 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 property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the Board of Directors whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the Board of Directors requires the Special Tax to be modified or changed in favor of the property owner, the CFD Administrator shall determine if sufficient Special Tax revenue is available to make a cash refund. If a cash refund cannot be made, then 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.

SAN MIGUEL CONSOLIDATED FIRE PROTECTION DISTRICT
 COMMUNITY FACILITIES DISTRICT 2022-1
 ATTACHMENT 1
 MAXIMUM SPECIAL TAX RATES

| Tax Zone | APNs | Property Type | Special Tax Rate | Per | Base Year |
|-----------------|-------------|-----------------------|-------------------------|---------------------------------------|------------------|
| 1 | 484-091-42 | Commercial Property | \$195.24 | 1,000 Feet of Building Square Footage | 2024/25 |
| | | Multi-Family Property | \$242.80 | Unit | 2024/25 |