

EXHIBIT B

COUNTY OF PLACER COMMUNITY FACILITIES DISTRICT NO. 2018-2 (PLACER VINEYARDS – COUNTY SERVICES)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in the County of Placer Community Facilities District No. 2018-2 (Placer Vineyards – County Services) shall be levied and collected according to the tax liability determined by the County or its designee, through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in the CFD, unless exempted by law or by the provisions of Section F below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the CFD.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“Accessory Unit” means a second residential unit of limited size (e.g., granny cottage, second unit) that shares a Parcel with a single-family detached unit.

“Acre” or **“Acreage”** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map or other parcel map recorded at the County Recorder's Office.

“Act” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, (commencing with Section 53311), Division 2 of Title 5 of the California Government Code.

“Administrative Expenses” means any or all of the following: expenses of the County in carrying out its duties with respect to the CFD, including, but not limited to, the levy and collection of the Special Tax, the fees and expenses of its legal counsel, costs related to annexing property into the CFD, charges levied by the County in connection with the levy and collection of Special Taxes, costs related to property owner inquiries regarding the Special Tax, costs associated with appeals or requests for interpretation associated with the Special Tax and this RMA, costs associated with foreclosure and collection of delinquent Special Taxes and all other costs and expenses of the County in any way related to the establishment or administration of the CFD.

“Administrator” means the person or firm designated by the County to administer the Special Taxes according to this RMA.

“Affordable Housing Unit” means a Residential Unit within a building on a Parcel of Residential Property for which a deed restriction has been recorded on title of the property that limits the rental rate or sales price or otherwise restricts the affordability of the Residential Unit

or income of its occupants. It is incumbent upon the builder, developer, or property owner to make the Administrator aware of such deed restriction.

“Airspace Parcel” means a parcel with an assigned Assessor’s Parcel number that constitutes vertical space of an underlying land parcel.

“Assessor’s Parcel” or **“Parcel”** means a lot or parcel, including an Airspace Parcel, shown on an Assessor’s Parcel Map with an assigned Assessor’s Parcel number.

“Assessor’s Parcel Map” means an official map of the County Assessor designating Parcels by Assessor’s Parcel number.

“Authorized Services” means the public services authorized to be financed, in whole or in part, by the CFD as set forth in the documents adopted by the Board at CFD Formation, as may be amended from time to time.

“Board” means the Board of Supervisors of the County.

“Buildable Lot” means an individual lot within a Final Map for which a Building Permit may be issued without further subdivision of such lot.

“Building Permit” means a single permit or set of permits required to construct a residential, non-residential, or mixed-use structure. If a permit is issued for a foundation, parking, landscaping or other related facility or amenity, but a building permit has not yet been issued for the structure served by these facilities or amenities, such permit shall not be considered a “Building Permit” for purposes of application of the Special Tax herein.

“CFD” means the County of Placer Community Facilities District No. 2018-2 (Placer Vineyards – County Services).

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

“CMU” means a Residential Land Use Designation for a Parcel that includes or will include both Residential Units and Non-Residential Property, as determined by the Administrator.

“County” means the County of Placer.

“Developed Property” means, in any Fiscal Year, all Parcels of Taxable Property, excluding Taxable Owners Association Property, for which a Building Permit was issued prior to June 30 of the preceding Fiscal Year.

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

“Final Map” means a final map, or portion thereof, approved by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq*) that creates Buildable

Lots. The term “Final Map” shall not include any large lot subdivision map, Assessor’s Parcel Map, or subdivision map or portion thereof that does not create Buildable Lots, including Assessor’s Parcels that are designated as remainder parcels.

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

“**Ground Floor Retail Square Footage**” means any ground level retail uses within a multi-story building that includes residential, office, or other uses in addition to the ground floor retail uses, as reflected on the Building Permit and as determined in the sole discretion of the Administrator and the County.

“**HDR**” means a high density Residential Land Use Designation for a Parcel of Residential Property.

“**Large Lot Map**” means a subdivision map recorded at the County Recorder’s Office that subdivides property in the CFD into large Parcels, most of which will be subject to future subdivision.

“**LDR**” means a low density Residential Land Use Designation for a Parcel of Residential Property.

“**Market Rate Unit**” means a Residential Unit that is not an Affordable Housing Unit.

“**Maximum Special Tax**” means the greatest amount of Special Tax that can be levied on a Parcel in any Fiscal Year, as set forth in Section C below.

“**MDR**” means a medium density Residential Land Use Designation for a Parcel of Residential Property.

“**Non-Residential Property**” means, in any Fiscal Year, all Parcels of Developed Property within the CFD that are not Residential Property, Owners Association Property, or Public Property. For a Parcel with a CMU Residential Land Use Designation, if all of the non-residential square footage in the building(s) is Ground Floor Retail Square Footage, then only the Residential Units within the building(s) shall be subject to the Special Tax levy. If there are non-residential uses that do not qualify as Ground Floor Retail Square Footage, then the Acreage to be taxed as Non-Residential Property shall be calculated by dividing the net leasable or net saleable square footage of non-residential uses on the Parcel that are not within Ground Floor Retail Square Footage (as determined by the Administrator) by the aggregate net saleable and net leasable square footage in the building(s) built or expected to be built on the Parcel (as determined by the Administrator), then multiplying the quotient by the Acreage of the underlying land Parcel for purposes of calculating the Maximum Special Tax and levying the Special Tax in any Fiscal Year.

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

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

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

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

“Residential Land Use Designation” means, for Residential Property, the LDR, MDR, HDR, or CMU designation set forth on a Tentative Map, Final Map, or any other map or plan that indicates the anticipated residential density for a Parcel. If there is any doubt as to the Residential Land Use Designation for a Parcel, or if the actual designations used are different than LDR, MDR, HDR, or CMU, the Administrator shall coordinate with the County Community Development Resource Agency (or, if such agency is renamed or reorganized, to the new department or entity) to determine the appropriate Residential Land Use Designation.

“Residential Property” means any Parcel of Developed Property for which a Building Permit was issued for construction of one or more Residential Units. Notwithstanding the foregoing, for buildings on Parcels with a Residential Land Use Designation of CMU (or any other mixed-use designation), the Residential Units within the building shall be categorized as Residential Property, and the Acreage of Non-Residential Property for purposes of this RMA shall be determined as set forth in the definition of Non-Residential Property.

“Residential Unit” means an individual single-family detached unit, or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure. An Accessory Unit that shares a Parcel with a single-family detached unit shall not be considered a separate Residential Unit for purposes of this RMA.

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

“Special Tax” means a special tax levied in any Fiscal Year to pay for Authorized Services.

“Special Tax Requirement” means the amount of revenue needed in any Fiscal Year to pay: (i) the combined costs of sheriff and fire protection services, road maintenance, and median landscape maintenance; (ii) Administrative Expenses; and (iii) amounts needed to cure delinquencies in the payment of Special Taxes which have occurred in the prior Fiscal Year. In any Fiscal Year, the Special Tax Requirement shall be reduced by surplus amounts available (as determined by the County) from the levy of the Special Tax in prior Fiscal Years, including revenues from collection of delinquent Special Taxes and associated penalties and interest.

“Square Foot” means one square foot increment of the building square footage reflected on the original Building Permit issued for construction of a building.

“Taxable Owners Association Property” means, in any Fiscal Year, any Parcel of Owners Association Property that satisfies both of the following conditions: (i) the Parcel was not anticipated to be Owners Association Property based on the approved Tentative Map for the area, as determined by the Administrator, and (ii) when the Parcel became Owners Association Property, the total amount of Owners Association Property within the CFD was increased beyond what was anticipated in the approved Tentative Maps for property in the CFD, as determined by the Administrator.

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

“Tentative Map” means a map that is: (i) made for the purpose of showing the design of a proposed subdivision, including the individual Buildable Lots that are expected within the subdivision, as well as the conditions pertaining thereto, (ii) not based on a detailed survey of the property within the map, and (iii) not recorded at the County Recorder’s Office to create legal lots.

“Undeveloped Property” means, in any Fiscal Year, all Parcels of Taxable Property that are not Developed Property or Taxable Owners Association Property and have any of the following in place: (i) an approved Tentative Map, (ii) approval for recordation of a Large Lot Map or Final Map, and/or (iii) signed improvement plans and/or grading permits for development of multi-family residential or non-residential land uses.

B. DATA FOR ADMINISTRATION OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall: (i) determine the current Assessor’s Parcel numbers for all Parcels of Taxable Property within the CFD, (ii) categorize each Parcel of Taxable Property as Developed Property, Undeveloped Property, or Taxable Owners Association Property, (iii) for Developed Property, categorize each Parcel as Residential Property or Non-Residential Property, (iv) for Residential Property, identify the Residential Land Use Designation for each Parcel and determine the number of Affordable Housing Units and/or Market Rate Units on each Parcel, and (v) determine the Special Tax Requirement for the Fiscal Year.

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

C. MAXIMUM SPECIAL TAX

1. *Developed Property*

In any Fiscal Year, the Maximum Special Tax for a Parcel of Developed Property shall be determined by reference to Table 1 below.

**Table 1
Maximum Special Tax for Developed Property**

Special Tax Category	Maximum Special Tax (in Fiscal Year 2018-19 \$)*
Residential Property, Market Rate Unit with an LDR Residential Land Use Designation	\$584.76 per Residential Unit
Residential Property, Affordable Housing Unit with an LDR Residential Land Use Designation	\$584.76 per Residential Unit
Residential Property, Market Rate Unit with an MDR Residential Land Use Designation	\$540.20 per Residential Unit
Residential Property, Affordable Housing Unit with an MDR Residential Land Use Designation	\$270.10 per Residential Unit
Residential Property, Market Rate Unit with an HDR Residential Land Use Designation	\$155.93 per Residential Unit
Residential Property, Affordable Housing Unit with an HDR Residential Land Use Designation	\$77.97 per Residential Unit
Residential Property, Market Rate Unit with a CMU Residential Land Use Designation	\$155.93 per Residential Unit
Residential Property, Affordable Housing Unit with a CMU Residential Land Use Designation	\$77.97 per Residential Unit
Non-Residential Property	\$0.31 per Square Foot

*** On July 1, 2019 and on each July 1 thereafter, all dollar amounts shown in Table 1 above shall be increased by 4% of the amount in effect in the prior Fiscal Year.**

2. *Undeveloped Property and Taxable Owners Association Property*

The Maximum Special Tax for Undeveloped Property and Taxable Owners Association Property in Fiscal Year 2018-19 is \$2,773 per Acre. On July 1, 2019 and each July thereafter, the Maximum Special Tax on Undeveloped Property and Taxable Owners Association Property shall be increased by an amount equal to 4.0% of the amount in effect in the prior Fiscal Year.

D. METHOD OF LEVY OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement and levy the Special Tax as follows:

- Step 1:** The Maximum Special Tax shall be levied on all Parcels of Developed Property.
- Step 2:** If additional revenue is needed after Step 1 to meet the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property for such Fiscal Year.
- Step 3:** If additional revenue is needed after Step 2 to meet the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Taxable Owners Association Property up to 100% of the Maximum Special Tax for Taxable Owners Association Property for such Fiscal Year.

E. MANNER OF COLLECTION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that the County may directly bill, collect at a different time or in a different manner, and/or collect delinquent Special Taxes through foreclosure or other available methods. The Special Tax may be levied and collected for as long as the County provides Authorized Services.

F. EXEMPTIONS

No Special Tax shall be levied on: (i) Parcels of Public Property, (ii) Parcels of Owners Association Property except Taxable Owners Association Property, (iii) Parcels owned by a public utility for an unmanned facility, (iv) Ground Floor Retail Square Footage, or (v) Parcels subject to an easement that precludes any use on the Parcel other than that permitted by the easement.

G. INTERPRETATION OF SPECIAL TAX FORMULA

The County 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 left to the County's discretion. Interpretations may be made by the County by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this RMA.