

CONSENT TO, AND BALLOT IN FAVOR OF, ANNEXATION OF REAL PROPERTY TO THE COUNTY OF CONTRA COSTA COMMUNITY FACILITIES DISTRICT NO. 2006-1 (NORTH RICHMOND AREA MAINTENANCE SERVICES)

To: Board of Supervisors of the County of
Contra Costa, in its capacity as the
legislative body for the County of Contra
Costa Community Facilities District No.
2006-1 (North Richmond Maintenance
Services)

The undersigned hereby states and certifies, under penalty of perjury, as follows:

1. The undersigned is the owner (the "Owner"), or the legally authorized representative of the Owner, of fee title to the real property identified by Contra Costa County Assessor's parcel number(s) listed below (the "Property"), and possesses all legal authority necessary to execute this consent to, and ballot in favor of (the "Consent and Ballot"), the annexation of the Property to the County of Contra Costa Community Facilities District No. 2006-1 (North Richmond Area Maintenance Services) (the "CFD").

2. The Owner understands that the Board of Supervisors of the County of Contra Costa (the "Board") has conducted proceeding pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Law") to form the CFD to finance various maintenance services (the "Services") as described in Exhibit A hereto. The Owner also understands that the proceedings for the formation of the CFD authorized the Board to levy an annual special tax (the "Special Tax") on property in the CFD as specified in the Rate and Method of Apportionment of Special Taxes (the "Rate and Method") for the CFD, a copy of which is attached hereto as Exhibit B, and authorized the annexation of property to the CFD, without additional hearings, upon approval of the owner of the property to be annexed as permitted by Section 53339.7(a) of the Law. The Owner has been advised that a Notice of Special Tax Lien (the "Notice of Special Tax Lien") was recorded against the real property initially included within the boundaries of the CFD in the office of the Contra Costa County Recorder (the "County Recorder") on August 23, 2006 as Document No. 2006-0268129-00.

3. The Owner hereby irrevocably consents to, approves, and votes (for purposes of Article XIII A of the California Constitution) in favor of the annexation of the Property to the CFD, and the annual levy of the Special Tax on the Property pursuant to the Rate and Method to finance the Services. The Owner acknowledges that the Clerk of the Board of the County of Contra Costa (the "County") will record, or cause to be recorded, against the Property in the office of the County Recorder an amendment to the Notice of Special Tax Lien as required by Section 3117.5 of the California Streets and Highways Code, which will impose a continuing lien on the Property to secure each levy of the Special Tax, and that said lien is coequal with the lien for ad valorem real property taxes levied by the County on the Property.

4. The Owner hereby irrevocably waives any right the Owner may otherwise have to protest or challenge the validity of the proceeds of the Board of Supervisors to form the CFD and to authorize the annexation of any property (including the Property) to the CFD, and any necessity, requirement or right for further public hearings or any election pertaining to the annexation of the Property to the CFD or the levy of the Special Tax on the Property.

5. The Owner hereby agrees to provide written notice of the annexation of the Property to the CFD, and of the authority of the Board to levy the Special Tax on the Property pursuant to the Rate and Method, to any subsequent purchaser of the Property to the extent required by applicable law.

The Property subject to this Consent and Ballot, and to be annexed to the CFD, consist of the following Contra Costa County Assessor's Parcel(s):

409-080-001

409-080-013

409-080-014

409-080-015

409-080-016

409-080-020

409-080-021

The full legal name of the fee title Owner of the Property is:

Contra Costa County

The foregoing Consent and Ballot is hereby executed this _____ day of _____, 20__, in _____, California.

By: _____
(signature)

(type name of person executing
Consent and Ballot)

Its: _____
(insert legal capacity of person
executing Consent and Ballot)

NOTARY ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____ before me, _____, Notary Public, personally appeared _____, personally known to me (or 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.

WITNESS my hand and official seal.

Notary Public

[This area for official notaries seal]

EXHIBIT A

COUNTY OF CONTRA COSTA COMMUNITY FACILITIES DISTRICT NO. 2006-1 (NORTH RICHMOND AREA MAINTENANCE SERVICES)

DESCRIPTION OF SERVICES ELIGIBLE TO BE FUNDED BY THE CFD

Services:

The services to be funded, in whole or in part, by the CFD include all direct and incidental costs related to providing the following services:

- I. Parks and Parkway Maintenance Services. Maintenance and operation of parks and parkways in the North Richmond Area including but not limited to the Richmond Parkway, Goodrick Avenue, Parr Boulevard, Pittsburg Avenue, West Gertrude Avenue, Brookside Drive, Central Avenue, Chesley Avenue, Market Avenue and 3rd Street.
- II. Open Space Services. Maintenance and operation of open space and natural wild lands in the North Richmond Area owned or otherwise controlled by Contra Costa County (the "County").
- III. Flood and Storm Drainage Services. Maintenance and operation of flood and storm drainage improvements in the North Richmond Area owned or otherwise controlled by the County or the Contra Costa County Flood Control and Water Conservation District (the "District").

The CFD may fund any of the following related to the services described in the preceding paragraph: obtaining, constructing, furnishing, operating and maintaining equipment, apparatus or facilities, paying the salaries and benefits of personnel (including but not limited to maintenance workers, patrol guards and other personnel), and for payment of other related expenses (including but not limited to employee benefit expenses and an allocation of general overhead expenses). Any services to be funded by the CFD must be in addition to those provided in the territory of the CFD before the date of creation of the CFD, and may not supplant services already available within that territory when the CFD is created. It is expected that the services will be provided by the County and/or the District, either with their own employees or by contract with third parties, or any combination thereof.

Administrative Expenses:

The direct and indirect expenses incurred by the County in connection with the establishment and administration of the CFD (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 related to the CFD or the collection of special taxes, an allocable share of the salaries of County staff directly related thereto and a proportionate amount of the County's general administrative overhead related thereto, any amounts paid by the County from its general fund with respect to the CFD or the services authorized to be financed by the CFD, and expenses incurred by the County in

undertaking action to foreclose on properties for which the payment of special taxes is delinquent, and all other costs and expenses of the County in any way related to the CFD.

Other:

The incidental expenses that may be financed by the CFD include: (i) all costs associated with the establishment and administration of the CFD, the determination of the amount of and collection of taxes, the payment of taxes, and costs otherwise incurred in order to carry out the authorized purposes of the CFD, (ii) any other expenses incidental to the provision of the services eligible to be funded by the CFD, and (iii) any amounts necessary to maintain a reserve required by the County or the District for the payment of the costs of the services.

EXHIBIT B

COUNTY OF CONTRA COSTA COMMUNITY FACILITIES DISTRICT NO. 2006-1 (NORTH RICHMOND AREA MAINTENANCE SERVICES)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

Special Taxes shall be levied on all Taxable Parcels within the County of Contra Costa Community Facilities District No. 2006-1 (North Richmond Area Maintenance Services) (the "CFD"), and collected according to the Rate and Method of Apportionment of Special Taxes described herein.

Special Taxes, when levied, shall be collected by the Contra Costa County Tax Collector's Office by means of a line item on the annual ad-valorem property tax billings or, if determined to be in the best interests of the County, by means of the direct billing by the County of the applicable property owners.

DEFINITIONS

Administrator: Means the individual(s) designated by the County to administer the CFD in accordance with the authority and powers granted by the Board of Supervisors.

Annual Administrative Costs: Means the direct and indirect expenses incurred by the County in connection with the establishment and administration of the CFD (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 related to the CFD or the collection of special taxes, an allocable share of the salaries of County staff directly related thereto and a proportionate amount of the County's general administrative overhead related thereto, any amounts paid by the County from its general fund with respect to the CFD or the services authorized to be financed by the CFD, and expenses incurred by the County in undertaking action to foreclose on properties for which the payment of special taxes is delinquent, and all other costs and expenses of the County in any way related to the CFD.

Assessor Parcel: Means a parcel of land which has an Assessor Parcel number assigned to it by the Contra Costa County Assessor's office.

Building Permit: Means a Building Permit issued by the County and having an improvement valuation over \$50,000. Building Permits for the construction of ancillary structures such as fences, swimming pools, retaining walls, etc are not to be considered "Building Permits" for purposes of this Rate and Method of Apportionment of Special Taxes.

CFD: Means County of Contra Costa Community Facilities District No. 2006-1 (North Richmond Area Maintenance Services).

Commercial Parcels: Means Assessor Parcels classified as “Commercial Parcels” or “Improved Commercial Parcels” by the County Assessor.

Condominium Parcels: Means Assessor Parcels classified as “Condominium Parcels” by the County Assessor; including below market rate condominiums.

County: Means Contra Costa County.

Exempt Parcels: Means Assessor Parcels owned by the Federal, State, County or other local government or special district, and Assessor Parcels not otherwise classified as Taxable Parcels.

Fiscal Year: Means the period starting on July 1 and ending the following June 30.

Floor Area Ratio: Means the total improved square footage of the structure(s) divided by the total square footage of the Assessor Parcel upon which the structure(s) is/are located. For example, if the improved square footage of a structure is 50,000 sq. ft. and the Assessor Parcel upon which the structure is located on is 25,000 sq. ft. the Floor Area Ratio is equal to 2.00 (50,000 sq. ft./25,000 sq. ft.).

Industrial Parcels: Means Assessor Parcels classified as “Industrial Parcels” by the County Assessor.

Institutional Parcels: Means Assessor Parcels classified as “Institutional Parcels” by the County Assessor.

Multi-Family Residential Parcels: Means Assessor Parcels classified as “Multi-Family Residential Parcels” by the County Assessor. These parcels include apartments and below market rate units. However, Multi-Family Residential Parcels shall not include Condominium Parcels or Townhome Parcels.

Parcel Acreage: Means the acreage identified on a County Assessor’s map for a particular Assessor Parcel. If the acreage is not indicated on the County Assessor’s map then the acreage indicated within the County Assessor’s database or any other calculation determined by the Administrator that accurately depicts the assessor’s parcel acreage. If it is determined that the County Assessor’s map acreage information for a particular Assessor Parcel is not accurate then the calculated acreage shall be based upon the judgment of the Administrator.

Public Works Director: Means the County Director of Public Works or his/her designee.

Rural Parcels: Means Assessor Parcels classified as “Rural Parcels” by the County Assessor; including below market rate units.

Services: Means the services eligible to be funded by the CFD.

Single Family Residential Parcels: Means Assessor Parcels classified as “Single Family Residential” or “Attached Single Family Residential Parcels” by the County Assessor; including below market rate units.

Special Tax Rate: Means the maximum Special Taxes to be levied on each Taxable Parcel within the boundaries of the CFD each Fiscal Year as shown in the following table, and subject to increases discussed below.

County of Contra Costa Community Facilities District No. 2006-1 (North Richmond Area Maintenance Services)		
Fiscal Year 2006-07 Special Tax Rates by Land Use ^{1,2}		
	Total	
Single-Family Residential Parcels	\$150.00	per Residence
Condominium Parcels	\$112.50	per Residence
Townhome Parcels	\$112.50	per Residence
Multi-Family Residential Parcels	\$75.00	per Unit
Commercial Parcels	\$1500.00	per Acre
Industrial Parcels	\$1,500.00	per Acre
Rural Parcels	\$150.00	per Residence
Institutional Parcels	\$1,500.00	per Acre

¹ If any Taxable Parcel within the boundaries of the CFD has a Floor Area Ratio greater than one (1.00) the Special Tax Rates shown in the table above will be multiplied by the Taxable Parcel’s Floor Area Ratio. For example, if a Commercial Parcel has a Floor Area Ratio of 1.50 the Fiscal Year 2006-07 Special Tax Rate would be \$2,250.00 per acre (\$1,500.00/acre x 1.50).

² For Fiscal Year 2007-08 and for each Fiscal Year thereafter, the Special Tax Rates shown in the table above will be increased each year over the Special Tax Rates in effect for the prior Fiscal Year by a percentage equal to the percentage increase in the Consumer Price Index for San Francisco Bay Area Urban Wage Earners.

Special Taxes: Means the Special Taxes levied on a Taxable Parcel pursuant to the Rate and Method of Apportionment of Special Taxes described herein.

Taxable Parcel: Means an Assessor Parcel within the boundaries of the CFD that is not classified as an Exempt Parcel and for which a Building Permit has been issued prior to February 1 preceding the Fiscal Year for which Special Taxes are being levied.

Townhome Parcels: Means Assessor Parcels classified as “Townhome Parcels” by the County Assessor.

Usecode: Means the current use of the respective Assessor Parcel as assigned by the County Assessor’s Office.

CALCULATION OF SPECIAL TAXES

The calculation of the Special Taxes will be as follows for each Fiscal Year, commencing with Fiscal Year 2006-07:

- 1) On or about July 1 of each year the Administrator will determine which Assessor Parcels within the boundaries of the CFD are classified as Taxable Parcels.
- 2) The Administrator will calculate the Floor Area Ratio for each Taxable Parcel to determine if the Floor Area Ratio for any Taxable Parcel exceeds one (1.00).
- 3) The Administrator will calculate the total revenue the CFD would receive for the ensuing Fiscal Year, if the County were to levy the Special Taxes at the maximum Special Tax Rates on all Taxable Parcels within the boundaries of the CFD.
- 4) The Public Works Director will determine the Services funding needs for the CFD for the ensuing Fiscal Year, which will include the costs to pay Annual Administrative Costs.
- 5) If the Services funding needs for the CFD identified in Step No. 4 above are less than the projected revenues identified in Step No. 3 the Special Tax Rates shall be reduced proportionately for each Taxable Parcel for the ensuing Fiscal Year to equal the funding needs. If the Services funding needs for the CFD identified in Step No. 4 above are equal to or greater than the projected revenues identified in Step No. 3 the Special Taxes shall be levied at the maximum Special Tax Rate for each Taxable Parcel.
- 6) The Administrator will submit the Special Taxes to the County Auditor's office for inclusion on the secured property tax roll for the applicable Fiscal Year or, if determined to be in the best interests of the County, will directly bill the applicable owners of the Taxable Parcels.

COLLECTION OF THE SPECIAL TAXES

Each year, the Administrator will coordinate with the Contra Costa County Tax Collector's office to have the Special Tax for each applicable Taxable Parcel placed on the secured property tax roll. If the Administrator believes it is in the best interest of the County, the Special Taxes may be directly billed to the applicable property owners.

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 Taxes. 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 of the Board of Supervisors for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

APPEAL OF SPECIAL TAX

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Administrator not later than one calendar year after having paid the Special Tax that is disputed. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and decide the appeal. If the property owner disagrees with the Administrator's decision relative to the appeal, the owner may then file a written appeal with the Board of Supervisors whose subsequent decision shall be binding. If the decision of the Administrator (if the appeal is not filed with the Board of Supervisors) or the Board of Supervisors (if the appeal is filed with the Board of Supervisors) requires the Special Tax to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Tax levies, but an adjustment shall be made to the next Special Tax levy. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any legal action by such owner.

TERM OF SPECIAL TAX

The Special Taxes shall be levied in perpetuity as necessary to fund the Services and pay the Annual Administrative Costs.