

# RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

For the Contra Costa County Fire Protection District Community Facilities District No. 2022-1 (Antioch Fire Protection and Emergency Response Services), County of Contra Costa, State of California

The Special Tax as hereinafter defined shall be levied on all Assessor's Parcels within the boundaries of Contra Costa County Fire Protection District Community Facilities District No. 2022-1 (Antioch Fire Protection and Emergency Response Services), ("CFD No. 2022-1"), other than Assessor's Parcels classified as Exempt Property as defined herein, and collected each Fiscal Year commencing in Fiscal Year 2021-22, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within the boundaries of CFD No. 2022-1, 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:

**"Act"** means the Mello-Roos Communities Facilities Act of 1982 as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated expenses related to the administration of CFD No. 2022-1: the costs of determining the amount of the levy of the Special Tax; the collection of Special Taxes, including the expenses of collecting delinquencies and pursuing foreclosures; the payment of a proportional share of salaries and benefits of any District employee, including District overhead, whose duties are directly related to the administration of CFD No. 2022-1; fees and expenses for counsel, audits, and costs associated with responding to public inquiries regarding CFD No. 2022-1; and any and all other costs incurred in connection with the administration of CFD No. 2022-1.

**"Annual Escalation Factor"** means the annual percentage increase of the All Urban Consumers Consumer Price Index ("CPI") or two percent (2%), whichever is greater. The annual CPI used shall be for the area of San Francisco-Oakland-Hayward as determined by the Bureau of Labor Statistics for the 12 months ending the preceding December 31, or such other replacement index as may be determined by the District.

**"Assessor's 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.

**"Building Permit"** means a permit issued for new construction of a residential dwelling or non-residential structure. For purposes of this definition, "Building Permit" shall not include permits

for construction or installation of retaining walls, grading, utility improvements, or other such improvements not intended for human habitation.

**“CFD Administrator”** means an official of the District, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Tax for CFD No. 2022-1.

**“CFD No. 2022-1”** means Contra Costa County Fire Protection District Community Facilities District No. 2022-1 (Antioch Fire Protection and Emergency Response Services) established by the Board under the Act.

**“District”** means the Contra Costa County Fire Protection District.

**“Board”** means the Board of Directors of the Contra Costa County Fire Protection District, acting as the legislative body of CFD No. 2022-1.

**“County”** means the County of Contra Costa.

**“Developed Property”** means an Assessor’s Parcel of Taxable Property for which a Building Permit was issued on or before the May 1 preceding the Fiscal Year for which the Special Tax is being levied.

**“Exempt Property”** means all Assessor’s Parcels within CFD No. 2022-1 that are exempt from the Special Tax pursuant to the Act or Section F herein.

**“Fiscal Year”** means the period commencing on July 1 of any year and ending the following June 30.

**“Land Use Type”** means any of the land use types listed in Table 1 below.

**“Maximum Special Tax”** means the maximum Special Tax determined in accordance with Section C, which may be levied in any Fiscal Year on an Assessor’s Parcel of Taxable Property.

**“Multi-Family Residential Property”** means all Assessor’s Parcels of Residential Property for which a Building Permit has been issued for the purpose of constructing a building or buildings comprised of attached Residential Units available for rent by the general public, not for sale to an end user, and under common management.

**“Non-Residential Property”** means any Assessor’s Parcel classified as Developed Property, which is not classified as Residential Property, Public Property, or Property Owner Association Property.

**“Property Owner Association Property”** means for each Fiscal Year any property within the boundaries of CFD No. 2022-1 that was owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to, a property owner association, including any master or sub-association, as of June 1.

**“Proportionately”** means in a manner such that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels within each Land Use Class.

**“Public Property”** means any property that is owned by, dedicated to, or irrevocably dedicated to, a city, the federal government, the State of California, the County, or any other public agency.

**“Public Safety Services”** means those authorized services that may be funded by CFD No. 2022-1 pursuant to the Act, as amended, including but not limited to (a) fire protection and suppression services and (b) ambulance and paramedic services.

**“Residential Property”** means all Assessor’s Parcels of Developed Property within CFD No. 2022-1 for which a Building Permit has been issued for purposes of constructing one or more Residential Unit(s).

**“Residential Unit”** means any residence in which a person or persons may live, which is not used for non-residential purposes.

**“Single-Family Residential Property”** means all Assessor’s Parcels of Residential Property not classified as Multi-Family Residential Property.

**“Special Tax”** means the special tax authorized to be levied within CFD No. 2022-1 pursuant to the Act to fund the Special Tax Requirement.

**“Special Tax Requirement”** means the amount, as determined by the CFD Administrator, for any Fiscal Year to: (i) pay the costs of providing the Public Safety Services during the Fiscal Year, (ii) pay Administrative Expenses associated with the Special Tax, (iii) establish or replenish any operational reserve fund established for Public Safety Services, (iv) pay incidental expenses related to the Public Safety Services as authorized pursuant to the Act, (v) fund an amount equal to a reasonable estimate of delinquencies expected to occur in the Fiscal Year in which the Special Tax will be levied (“Estimated Special Tax Delinquency Amount”) and (vi) fund the shortfall, if any, in the Special Tax revenues collected in the preceding Fiscal Year necessary to fund the Special Tax Requirement for the preceding Fiscal Year where the shortfall resulted from delinquencies in the payment of the Special Tax in the preceding Fiscal Year that exceeded the Estimated Special Tax Delinquency Amount included in the Special Tax Requirement for the preceding Fiscal Year.

**“Taxable Property”** means all Assessor’s Parcels that are not exempt from the Special Tax pursuant to the Act or Section F.

**“Undeveloped Property”** means an Assessor’s Parcel of Taxable Property which is not classified as Developed Property.

## **B. CLASSIFICATION OF ASSESSOR’S PARCELS**

Each Fiscal Year, beginning with Fiscal Year 2021-22, each Assessor’s Parcel within the boundaries of CFD No. 2022-1 shall be classified by the CFD Administrator as Taxable Property or Exempt Property. In addition, for each Fiscal Year, each Assessor’s Parcel of Taxable Property shall be further classified by the CFD Administrator as Developed Property or Undeveloped Property. Commencing with Fiscal Year 2021-22 and for each subsequent Fiscal Year, all Taxable Property shall be assigned a Land Use Type and be subject to the levy of the Special Tax pursuant to Section C below.

## C. SPECIAL TAX RATES

### 1. Developed Property

Each Fiscal Year commencing in Fiscal Year 2021-22, each Assessor's Parcel of Developed Property shall be subject to the Special Tax.

The Maximum Special Tax for Developed Property for Fiscal Year 2021-22 is shown below in Table 1.

**TABLE 1**

Land Use Type	Maximum Special Tax
Single-Family Residential Property	\$381 per Residential Unit
Multi-Family Residential Property	\$267 per Residential Unit

For each subsequent Fiscal Year following Fiscal Year 2021-22, the Maximum Special Tax rates shall be increased from the Maximum Special Tax rate in effect for the prior Fiscal Year by the Annual Escalation Factor.

### 2. Undeveloped Property

Each Fiscal Year commencing in Fiscal Year 2021-22, each Assessor's Parcel classified as Undeveloped Property shall be exempt from the levy of the Special Tax.

### 3. Exempt Property

No Special Tax shall be levied on Exempt Property as defined in Section F.

For each Fiscal Year, if the use or ownership of an Assessor's Parcel of Exempt Property changes so that the Assessor's Parcel is no longer classified as one of the uses set forth in Section F, therefore making the Assessor's Parcel no longer eligible to be classified as Exempt Property, the Assessor's Parcel shall be deemed to be Taxable Property and shall be taxed pursuant to the provisions of Section C.

## D. METHOD OF APPORTIONMENT OF SPECIAL TAX

Commencing in Fiscal Year 2021-22 and for each subsequent Fiscal Year, the CFD Administrator shall levy the Special Tax on all Taxable Property within the boundaries of CFD No. 2022-1 until the total amount of Special Tax levied equals the Special Tax Requirement. The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property within the boundaries of CFD No. 2022-1 up to 100% of the Maximum Special Tax to satisfy the Special Tax Requirement.

Notwithstanding any provision of this Section D to the contrary, under no circumstances will the Special Tax levied against any Assessor's Parcel of Developed Property that is classified as Residential Property be increased by more than ten percent (10%) per Fiscal Year as a consequence of delinquency or default

in the payment of the Special Tax by the owner of any other Assessor's Parcel within the boundaries of CFD No. 2022-1.

## **E. PREPAYMENT OF SPECIAL TAX**

The Special Tax shall be levied in perpetuity for the purpose of financing ongoing authorized services and therefore may not be prepaid.

## **F. EXEMPTIONS**

Notwithstanding any other provision of the Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on any of the following Exempt Property: (i) Public Property, provided that if the public entity owning or controlling a Public Property grants a lease or other possessory interest in the Public Property to a private entity, and the Public Property is thereby subject to taxation pursuant to Section 53340.1 of the Act, the leasehold or possessory interest shall be classified and taxed according to the use thereof; (ii) Property Owner Association Property; (iii) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, including but not limited to property designated for open space, trails, pathways, parks, or park and recreation-related facilities; (iv) property reasonably designated by the District or CFD Administrator as Exempt Property due to deed restrictions, conservation easement, or similar factors.

## **G. APPEALS**

Any property owner claiming that the amounts or application of the Special Tax is not correct may file a written notice of appeal with the CFD Administrator not later than 12 months after having paid the first installment of the Special Tax. The CFD 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 rule on the appeal. If the decision of the CFD Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the Special Tax.

## **H. 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 the Special Tax may be billed and collected at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 2022-1.

## **I. DURATION OF TAX**

The Special Tax shall be levied in perpetuity to fund the Special Tax Requirement unless such tax is no longer required as determined by the Board.