

DAVIS JOINT UNIFIED SCHOOL DISTRICT

COMMUNITY FACILITIES DISTRICT No. 1

(DISTRICT-WIDE SCHOOL FINANCING)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax, determined as shown below, shall be levied each year by the Board of Education of the Davis Joint Unified School District (the "District") within the boundaries of Community Facilities District No. 1 (the "CFD"):

I. DEFINITIONS. The terms hereinafter set forth have the following meanings:

- A. "Undeveloped property" means all Taxable Property in the District for which no residential, commercial or industrial improvements or use exist and no building permit has been issued as of June 1 of the preceding Fiscal Year from the year for which the tax is to be levied.
- B. "Developed Property" means all Taxable Property in the District which has improvements or for which a building permit has been issued as of June 1 of the preceding Fiscal Year from the year for which the tax is to be levied, or where there is a use for a purpose that does not require a building permit as of June 1 of the preceding Fiscal Year from the year for which the tax is to be levied.
- C. "Special Tax Units" or "STU" are assigned to each parcel of land, based on the category of the property (Developed or Undeveloped) within the CFD.
- D. "Maximum Special Tax" means the maximum amount of special tax which may be levied annually against any parcel (which may be stated as a maximum amount per STU) within the CFD as set forth herein.
- E. "District" means the geographic area of the Davis Joint Unified School District.
- F. "Fiscal Year" means the period starting on July 1 and ending on the following June 30.
- G. "Board" means the Board of Education of the Davis Joint Unified School District.
- H. "Taxable Property" means all of the area within the boundaries of the CFD which is not exempt from the special tax.

## II. DESCRIPTION OF TAXABLE UNITS AND ASSIGNMENT OF STU'S.

### DEVELOPED PROPERTY:

- A. Single Family Homes: a single-family detached house on a single parcel is assigned 1 STU.
- B. Mobile Homes: a mobile home on a separate parcel, or in a mobile home park or in a mobile home subdivision is assigned .5 STU.
- C. Multi-Family Units: all multi-family units, including duplex and halplex, are assigned .5 STU per unit.
- D. Commercial Property: property zoned for commercial use is assigned 1 STU per each 1/4 acre or portion thereof.
- E. Industrial Property: property zoned for industrial use is assigned 1 STU per each 1/4 acre or portion thereof.
- F. Agricultural: property zoned for agricultural use is assigned 1 STU for each residence.

### UNDEVELOPED PROPERTY:

- G. Vacant, Undeveloped, non-agricultural property is assigned 1 STU for each parcel.
- H. Agricultural property zoned for agricultural use which contains no residence will not be taxed.

### EXEMPT PROPERTY AND REDUCTIONS:

- I. Governmental: property owned by the state, federal or other local government will not be taxed except:

(1) If a public agency owning property, including property held in trust for any beneficiary, which is exempt from a special tax pursuant to Section 53340 grants a leasehold after January 1, 1988, or other possessory interest in the property to a nonexempt person or entity, the special tax shall, notwithstanding Section 53340, be levied on the leasehold or possessory interest and shall be payable by the owner of the leasehold or possessory interest.

(2) If property not otherwise exempt from a special tax levied pursuant to this chapter is acquired by a public entity through a negotiated transaction, or by gift or devise, the special tax shall, notwithstanding Section 53340, continue to be levied on the property acquired and shall be enforceable against the public entity that acquired the property.

(3) If property subject to a special tax levied pursuant to this chapter is acquired by a public entity through eminent domain proceedings, the obligation to pay the special tax shall be treated as if it were a special annual assessment. For this purpose, the present value of the obligation to pay a special tax to pay the principal and interest on any indebtedness incurred by the district prior to the date of apportionment determined pursuant to Section 5082 of the Revenue and Taxation Code shall be treated the same as a fixed lien special assessment.

- J. Non-Governmental tax exempt uses: property which is exempt by law from ad valorem taxes will not be taxed except as otherwise provided herein.
- K. Unbuildable: parcels defined by the Assessor as unbuildable will not be taxed.
- L. Senior Citizen Reductions. A property owner has the option of annually applying for a senior citizen tax reduction which will exempt the property from fifty percent (50%) of the special tax if all of the following conditions exist:
  - (1) The property owner provides evidence that the dwelling unit is occupied by a head of household or spouse, either of whom is at least 65 years of age.
  - (2) The property owner provides evidence of ownership of the property.
  - (3) The property owner's application is filed and qualifies annually. Filing of the application shall be made between May 15 and June 15 annually.
  - (4) The exemption is only for the primary residence of the applicant property owner. All other residences owned by the property owner are subject to the full tax.
- M. Low Income Housing Tax Exemptions. A property owner has the option of applying for a low income housing tax exemption from the special tax if all of the following conditions exist.
  - (1) The property owner provides evidence that the dwelling unit(s) constitute(s) low income housing under either of the following categories.
    - (a) A low-rent housing project within the meaning of Section 214 (g) of the California Revenue and Taxation Code owned by a non-profit tax exempt corporation that qualified under Sections 501 (c) (3) or 501 (c) (4), of the

Internal Revenue Code of 1986, as amended or a non-profit corporation organized under Section 7110 of California Corporations Code, or

(b) A limited equity cooperative defined by California Health & Safety Code Section 33007.5.

(2) The property owner provides evidence of ownership of the property.

(3) The application is filed and qualifies annually. Filing of the application shall be made between May 15 and June 15 annually.

### III. MAXIMUM SPECIAL RATES.

A. Maximum Rate: the Maximum Special Tax Rate for all Taxable Property is \$67 per STU per year in Fiscal Year 1990-91.

B. Annual Escalation: the Maximum Rate shall be subject to annual increases of, not to exceed, a maximum of \$4.63% per year, compounded.

### IV. METHOD OF APPORTIONMENT.

No later than the first Board meeting in July of each year, all Taxable Property in the District shall be categorized and assigned its appropriate number of STU and shall be subject to levy of the special tax according to the rate and method of apportionment contained herein. The School District shall determine the total amount of special tax required for the fiscal year to pay for the authorized costs and expenses of the CFD. The authorized costs and expenses of the CFD include all those set forth in the Act, and all costs necessary to administer the bonds, collect and administer the special taxes, and administer the CFD. They include funds not only to pay current debt service on the bonds, but also to accumulate funds for future debt service, to pay amounts delinquent on the bonds (or to become delinquent based upon past special tax delinquencies), to replenish the reserve fund to its proper level (or to reimburse payment to be made from the reserve fund based upon past special tax delinquencies), to pay directly for any authorized facilities or to accumulate funds for that purpose. Special tax proceeds are managed in such a fashion as not to cause the bonds to become arbitrage bonds under the Tax Reform Act of 1986.

The tax levy on each parcel within the CFD shall be the same percentage of its maximum tax. The percentage shall be calculated to be the percentage which will just raise the amount of special tax required.

V. LIMITATIONS AND REDUCTIONS.

The Board shall not impose a special tax on exempt property as determined to be exempt by the Board. In the event that exempt status should change for any property, the property would then be classified as Taxable Property. (Once a property has been classified as Developed Property, it may not be reclassified as any other property.)

VI. APPEALS AND INTERPRETATION PROCEDURE.

Any Taxpayer claiming that the amount or application of the special tax is in error may file a notice with the District appealing the levy of the special tax. The Superintendent or designee will promptly review the appeal and, if necessary, meet with the applicant and decide the appeal. If the findings of the Superintendent or designee verify that the tax should be modified or changed, the special tax levy shall be corrected and, if applicable, a refund shall be granted. Any dispute over the decision of the Superintendent or designee shall be referred to the Board and the decision of the Board shall be final.

Interpretations may be made by Resolution of the Board for purposes of clarifying any vagueness or uncertainty as it relates to the application of the special tax rate, or application of the method of apportionment, or the classification of properties or any definition applicable to the CFD.

VIII. COLLECTION OF SPECIAL TAX.

The special tax shall be collected each year upon the applicable assessor's parcels in the CFD in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties, procedures, and lien priorities in the case of delinquency as is provided for ad valorem taxes. The School District shall cause the actions required above to be done for each Fiscal Year in a timely manner to assure that the schedule of the special taxes to be collected are received by the Auditors of the Counties of Yolo and Solano for inclusion with billings for such ad valorem taxes for the applicable Fiscal Year. The special tax shall be levied and collected only so long as it is needed to pay the principal and interest on debt incurred in order to acquire and/or construct the facilities of the CFD, or so long as it is needed to pay the costs and incidental expenses of the construction of facilities authorized.

IX. CLAIMS FOR REFUND.

All claims for refund of special taxes collected by Yolo or Solano Counties on behalf of C.F.D. No. 1 shall be filed with the Superintendent of the District no later than one year after the date of the special tax has been paid to the County. The claimant shall file the claim within this time period and the claim shall be finally acted upon by the Board as a prerequisite to the claimant bringing suit

thereon. Pursuant to Government Code Section 935(b) the claim shall be subject to the provisions of Govt. Code §§945.6 and 946.

The governing board of the District acting on its own behalf and on behalf of C.F.D. No. 1 shall act on a timely claim within the time period required by Govt. Code §912.4.

The procedure described in this ordinance shall be the exclusive claims procedure for claims seeking a refund of special taxes. The decision of the governing board of the District in response to the claim for refund of taxes shall be final and shall not be appealable.