Filing Requested by & Certificate of Posting Return To:

For Staff use only:

LEAD AGENCY or RESPONSIBLE PARTY NAME
City of Chowchilla
LEAD AGENCY or RESPONSIBLE PARTY STREET ADDRESSS
130 S 2nd Street
CITY, STATE ZIP
Chowchilla, CA 93610
Lead Agency or Responsible Party Email
jmcclendon@cityofchowchilla.org

CERTIFICATE OF POSTING FILED IN THE OFFICE OF THE MADERA COUNTY CLERK ON			
POSTED		**REMOVED**	
Filing #			
RETURNED TO AGENCY ON:			
DEPUTY:			

COMPLETE AND SUBMIT THIS FORM WITH EACH CEQA NOTICE FILED WITH THE COUNTY CLERK
Type or Print Clearly as listed on CEQA document

Project Title as it appears on filing

Formation of City of Chowchilla Community Facilities District No. 2025-2 (Replacement of CFD 2006-1) pursuant to the Mello-Roos Community Facilities Act. (Gov. Code Sections 5311 through 53368.3)

Project Applicant Name as it appears on filing

City of Chowchilla

Applicant Address:

130 S 2nd Street, Chowchilla CA 93610

Applicant Email Address

jmcclendon@cityofchowchilla.org

Applicant Contact Phone Number

559-665-8615 x102

Lead Agency, if filed by Responsible Party

Lead Agency Email, if filed by Responsible Party

Lead Agency Address, if filed by Responsible Party

Filing Type: EIR: ☐ MND/ND: ☐ NOE: ☑ Other (fill in type):

All filing fees are due at the time a Notice of Determination/Exemption is filed with our office. For more information on filing fees due and No Effect Determinations, please refer to California Code of Regulations, Title 14, section 753.5.

The Madera County Clerk is unable to accept third-party checks. Please instruct any other interested party besides the applicant or lead agency that is paying for a CEQA notice to submit a money order or cashier's check payable to Madera County Clerk to avoid delays in filing.

All CEQA notices are open to public inspection as required by law online at www.maderacounty.com or in-person at the public computer kiosks located in th Madera County Clerk lobby. (This cover sheet shall not be posted online and will be used for filing purposes only and returned with the original notice to the lead agency listed above after the completion of the posting period.)

NOTICE OF EXEMPTION

To:	Madera County Clerk-Recorder 200 W. 4th Street Madera, CA 93637Norwalk, CA 90650	From:	City of Chowchilla 130 S. 2nd Street Chowchilla, CA 93610
	California State Clearinghouse (Online filing)		

Project Title:

Formation of City of Chowchilla Community Facilities District No. 2025-2 (Replacement of CFD 2006-1) pursuant to the Mello-Roos Community Facilities Act. (Gov. Code, §§ 53311 through 53368.3.)

Project Location – Specific:

The territory shown on the map entitled "Proposed Boundaries of City of Chowchilla Community Facilities District No. 2025-2 (Replacement of CFD 2006-1)," recorded in Madera County, CA, on September 25, 2025, as Instrument No. 2025020054.

Project Location – City, County:

City of Chowchilla, County of Madera.

Description of Nature, Purpose, and Beneficiaries of Project:

The project consists solely of the formation of the City of Chowchilla Community Facilities District No. 2025-2 (Replacement of CFD 2006-1) ("CFD No. 2025-2"), pursuant to proceedings carried out by the City of Chowchilla, including the adoption by the City Council on October 28, 2025, of its Resolution # 87-25 establishing CFD No. 2025-2. CFD No. 2025-2 is established in order to finance certain municipal services, repay the City of Chowchilla Community Facilities District No. 2006-1, Improvement Area 1, Special Tax Bonds, Series 2007, and related incidental expenses. The beneficiary is City of Chowchilla.

Name of Public Agency Approving and Carrying Out Project:

City of Chowchilla, California

Exempt Status:

Formation of CFD No. 2025-2 is not a "project" as defined in CEQA (see CEQA Guidelines Section 15378(b)(4)).

Reasons Why Project is Exempt:

The establishment of a financing mechanism by the City of Chowchilla to assist in the financing of certain municipal services and refinancing the cost of existing facilities in the City is not a project as defined in CEQA.

Contact Person:	Area Code:	Telephone:
Rod C. Pruett	559	665-8615

A certified copy of Resolution # 87-25 which is the document of exemption finding, is attached.

This notice of exemption is filed by the public agency approving the project.

Signature: ______________________________ Date: 11/5/2025
Rod C. Pruett

To be completed by the County Clerk-Recorder:

Date Received
for Filing: ____________________________________

CERTIFICATE

STATE OF CALIFORNIA)
COUNTY OF MADERA)
CITY OF CHOWCHILLA)

I, Joann McClendon, CMC, City Clerk of the City of Chowchilla do hereby certify the foregoing City Council Resolution # 87-25, Establishing Community Facilities District No. 2025-2 (Replacement of CFD 2006-1) and Authorizing Related Actions, was approved at the October 28, 2025 Chowchilla City Council Meeting.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Dated: November 7, 2025

CITY of CHOWCHILLA CALIFORNIA
GATEWAY TO PROSPERITY
INCORPORATED FEB 7, 1923

Joann McClendon, CMC
City Clerk

COUNCIL RESOLUTION # 87-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHOWCHILLA, CALIFORNIA ESTABLISHING COMMUNITY FACILITIES DISTRICT NO. 2025-2 (REPLACEMENT OF CFD 2006-1) AND AUTHORIZING RELATED ACTIONS

WHEREAS, the City Council (the "City Council") of the City of Chowchilla (the "City"), on September 23, 2025, duly adopted its Resolution # 74-25 (the "Resolution of Intention") declaring its intention to establish the City of Chowchilla Community Facilities District No. 2025-2 (Replacement of CFD 2006-1) ("CFD No. 2025-2") and setting a date and time for a public hearing to be held on the matters set forth in the Resolution of Intention, all pursuant to the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5, Part 1, Division 2, Title 5 (commencing with Section 53311) of the California Government Code) (the "Act"); and

WHEREAS, the Resolution of Intention, incorporating by reference a map of the proposed boundaries of CFD No. 2025-2 (the "Boundary Map") and describing (a) the City of Chowchilla Community Facilities District No. 2006-1 special tax bonds issued in 2007 to be refunded by the CFD No. 2025-2 (the "2007 Bonds"), (b) the municipal services (the "Services") eligible to be financed by CFD No. 2025-2, and (c) the rate and method of apportionment of the special tax to be levied within CFD No. 2025-2 (the "Rate and Method") to pay the costs of the Services and to pay the principal and interest on bonds proposed to be issued to finance the repayment of the 2007 Bonds, is on file with the City Clerk and the provisions thereof are incorporated herein by this reference as if fully set forth herein; and

WHEREAS, before the time for the public hearing, as directed in the Resolution of Intention, the City Administrator filed with the City Council the report required by Government Code section 53321.5 (the "Hearing Report"); and

WHEREAS, a notice of the hearing was duly published as required by the Act, as evidenced by the affidavit of publication on file with the City Clerk; and

WHEREAS, pursuant to the Act and the Resolution of Intention, the public hearing was held by the City Council on this date, Tuesday, October 28, 2025, on the proposed establishment of CFD No. 2025-2 and other matters set forth in the Resolution of Intention, and

WHEREAS, at the hearing all interested persons desiring to be heard on all matters pertaining to the formation of CFD No. 2025-2, the 2007 Bonds to be repaid, the Services eligible to be funded by CFD No. 2025-2, and the levy of the special tax were heard and a full and fair hearing was held; and

WHEREAS, at the hearing evidence was presented to the City Council on the matters before it, including the Hearing Report, a copy of which is on file with the City Clerk, and the City Council at the conclusion of the hearing was fully advised regarding CFD No. 2025-2; and

WHEREAS, written protests against the formation of CFD No. 2025-2 and/or the repayment of the 2007 Bonds or the furnishing of specified types of the Services as described in the Hearing Report have not been filed with the City Clerk by fifty percent (50%) or more of the registered voters residing within the territory of CFD No. 2025-2 or the owners of one-half (1/2) or more of the area of land within CFD No. 2025-2 and not exempt from the special tax; and

WHEREAS, on the basis of all of the foregoing, the City Council has determined at this time to establish CFD No. 2025-2.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chowchilla that:

Section 1. <u>Recitals</u>. The foregoing recitals are true and correct.

Section 2. **Hearing Report**. The City Council hereby makes the Hearing Report a part of the record of the hearing.

Section 3. **No Majority Protest**. The proposed special tax to be levied in CFD No. 2025-2 has not been precluded by majority protest pursuant to Section 53324 of the Act.

Section 4. **Establishment and Naming of Community Facilities District**. As proposed in the Resolution of Intention, a community facilities district is hereby established pursuant to the Act, designated "City of Chowchilla Community Facilities District No. 2025-2 (Replacement of CFD 2006-1)."

Section 5. **Finding of Procedural Regularity**. The City Council finds and determines that all prior proceedings had and taken by the City Council with respect to the formation of CFD No. 2025-2 are valid and in conformity with requirements of the Act. The City Council finds and determines that the establishment of CFD No. 2025-2 is consistent with the City's previously adopted goals and policies for use of the Act (the "Goals and Policies") and, in such connection, the City Council has waived any provision of such Goals and Policies which may be inconsistent with the purposes of CFD No. 2025-2 as provided herein, including but not limited to the provision of a feasibility study as contemplated in the Goals and Policies.

Section 6. **Boundaries of Community Facilities District**. The boundaries of CFD No. 2025-2, as set forth in the map of the proposed boundaries of CFD No. 2025-2 that was filed in the office of the County Recorder of the County of Madera on September 25, 2025, in Book 5 of Maps of Assessment and Community Facilities Districts, at Pages 89-93, are hereby finally approved and shall be the boundaries of CFD No. 2025-2.

Section 7. **Description of Services and 2007 Bonds to be Repaid**. The Services eligible to be financed by CFD No. 2025-2, and the 2007 Bonds to be repaid with bonds of CFD No. 2025-2, are described in **Exhibit B** hereto. The costs and expenses permitted to be funded with the levy of special taxes within CFD No. 2025-2 include "incidental expenses," which include the cost with the creation of CFD No. 2025-2, costs of issuance of bonds to repay the 2007 Bonds, determination of the amount of special taxes, collection or payment of special taxes, or costs otherwise incurred in order to carry out the authorized purposes of CFD No. 2025-2, and expenses incidental to the provision of the Services.

Section 8. **Repayment of Advances**. To the extent proceeds of any bonds issued are sufficient therefor (as determined by the City), the City is authorized to repay a portion of the funds advanced and may also repay the value or cost (whichever is less) of any work-in-kind advanced.

Section 9. **Special Tax**. As stated in the Resolution of Intention, except to the extent that funds are otherwise available to CFD No. 2025-2 to pay for the Services and/or to pay the principal and interest as it becomes due on bonds issued to repay the 2007 Bonds, a special tax sufficient to pay the costs thereof and to pay incidental expenses, secured by recordation of a continuing lien against all non-exempt real property in the CFD No. 2025-2, will be levied within CFD No. 2025-2 and collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as the City Council shall determine, including direct billing of the affected property owners. The proposed Rate and Method of apportionment of the special tax among the parcels of real property within CFD No. 2025-2, in sufficient detail to allow each landowner within CFD No. 2025-2 to estimate the maximum amount such owner will have to pay, are described in **Exhibit A** hereto, which Exhibit is by this reference incorporated herein. The City Council hereby finds that the basis for the levy and apportionment of the special tax, as set forth in the Rate and Method, is reasonable. The Rate and Method specifies the conditions under which the special tax may be prepaid and permanently satisfied. The Rate and Method also specifies the year after which no further special tax shall be levied against any parcel of land used for private residential purposes. Under no circumstances will the special tax levied against any parcel of land used for private residential purposes be increased by more than ten percent (10%) as a consequence of delinquency or default by the owner of any other parcel or parcels of land within CFD No. 2025-2.

Section 10. Apportionment of Tax. The special tax as apportioned to each parcel is based on the cost of making the Services available to each parcel, and/or other reasonable basis, and is not based on or upon the ownership of real property.

Section 11. Tax Roll Preparation. The office of the City Administrator, 130 South 2nd Street, Chowchilla, California 93610, telephone (559) 665-8615, is hereby designated as the office that will be responsible for annually preparing a current roll of special tax levy obligations by assessor's parcel number and that will be responsible for estimating future special tax levies pursuant to Government Code section 53340.2. The City Administrator may cause these functions to be performed by his or her deputies, assistants, or other designated agents.

Section 12. Filing of Resolution and Map with City Clerk. The City Council hereby directs the City Clerk to file a copy of this Resolution and the map of the boundaries of CFD No. 2025-2 in her office.

Section 13. Lien to Secure Special Tax. Upon a determination by the City Council that two-thirds of the votes cast upon the question of levying the special tax were in favor thereof, the City Clerk shall record the notice of special tax lien provided for in Section 3114.5 of the California Streets and Highways Code. Upon recordation of the notice of special tax lien, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in CFD No. 2025-2, and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien cancelled in accordance with law or until collection of the tax by the City Council ceases.

Section 14. Election. In accordance with the Act, the proposition of the levy of the special tax, the incurrence of bond indebtedness, and the establishment of an appropriations limit for CFD No. 2025-2, shall be submitted to the qualified electors of CFD No. 2025-2, at an election to be hereafter called and specified by separate resolution of the City Council.

Section 15. Appropriations Limit. In accordance with the Act, the appropriations limit (as defined in Subdivision (h) of Section 8 of Article XIII B of the California Constitution) for CFD No. 2025-2 shall be established in the amount of special taxes collected, subject to the approval by the qualified electors of CFD No. 2025-2 at the election described above.

Section 16. CEQA Compliance. The City hereby determines that the proposed establishment of CFD No. 2025-2 is not a "project" as defined in CEQA (see CEQA Guidelines section 15378(b)(4)) and authorizes the City Clerk to file a notice of exemption with the with the appropriate parties including, but not limited to, the County Clerk and the State Clearinghouse in the Office of Land Use and Climate Innovation.

Section 17. Effective Date. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Chowchilla this 28th day of October, 2025, by the following vote:

AYES: **5 – Troost, Chavez, Ahmed, Barragan, Smith**

NOES: **0**

ABSENT: **0**

ABSTAIN: **0**

APPROVED:

Mayor Kelly Smith

ATTEST:

Joann McClendon, CMC
City Clerk

EXHIBIT A

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
FOR CITY OF CHOWCHILLA
COMMUNITY FACILITIES DISTRICT NO. 2025-2
(REPLACEMENT OF CFD 2006-1)

[Attached]

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
FOR CITY OF CHOWCHILLA
COMMUNITY FACILITIES DISTRICT NO. 2025-2
(REPLACEMENT OF CFD 2006-1)

A Special Tax, as hereinafter defined, shall be levied and collected within of the City of Chowchilla Community Facilities District No. 2025-2 (Replacement of CFD 2006-1) each Fiscal Year commencing in Fiscal Year 2026/27, in an amount determined by the application of the procedures below. All Taxable Property, as hereinafter defined, 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 meaning:

"Accessory Dwelling Unit" or **"ADU"** means all Assessor's Parcels of Residential Property for which a building permit(s) has been issued for an "Accessory Dwelling Unit" as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a primary Unit.

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map. In the event that the Assessor's Parcel Map shows no acreage, the Acreage for any Assessor's Parcel may be determined by the CFD Administrator based upon, in the CFD Administrator's discretion, the applicable condominium plan, final map, parcel map, Assessor's Data or by using available spatial data and GIS.

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

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of CFD No. 2025-2 including, but not limited to, the following: the costs of computing the Annual Facilities Special Tax Requirement, the Annual Services Special Tax Requirement, the Special Taxes and of preparing the collection schedules for the Special Taxes; the costs of collecting the Special Taxes, including any charges levied by the County Auditor's Office, County Tax Collector's Office or County Treasurer's Office; the costs of any paying agents/fiscal agents/trustees related to CFD No. 2025-2 Bond payments (including the fees and expenses of related counsel); the costs of the City or designee in complying with the disclosure requirements associated with applicable federal and state securities laws, or otherwise related to CFD No. 2025-2 or CFD No. 2025-2 Bonds; the City's annual administration fees and third party expenses; costs of responding to public inquiries regarding the Special Taxes; the costs of the City or designee related to an appeal of the Special Tax or interpretation of this Rate and Method of Apportionment of Special Taxes; amounts needed to pay any required arbitrage rebate to the federal government related to CFD No. 2025-2 Bonds; the costs associated with the release of funds from any escrow account; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Special Taxes in CFD No. 2025-2. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2025-2 for any other administrative purposes of CFD No. 2025-2.

"Annual Bond Payment Special Tax Requirement" means that amount required in any Fiscal Year for CFD No. 2025-2 to (1) pay Debt Service on all Outstanding CFD No. 2025-2 Bonds due in the Debt Year that commences in such Fiscal Year; (2) pay debt service on bonds expected to be issued by CFD No. 2025-2 due in the Debt Year that commences in such Fiscal Year; (3) Administrative Expenses related to the Bond Payment Special Tax; (4) provide any amount required to establish or replenish a reserve fund in connection with any CFD No. 2025-2 Bonds; and (5) provide an amount equal to reasonably anticipated Special Tax delinquencies based on the delinquency rate for Bond Payment Special Tax levied in the previous Fiscal Year as determined by the CFD Administrator, as may be limited by the Act, and without duplicating any amounts described in clauses (3) or (4). The amounts referred to in clauses (1) through (5) of the preceding sentence may be reduced in any Fiscal Year (in the City's sole discretion) by (i) surplus balances in funds and accounts for CFD No. 2025-2 Bonds to the extent that such balances are available to apply against Debt Service pursuant to the Indenture, (ii) proceeds from the collection of penalties associated with delinquent Bond Payment Special Tax, and (iii) any other revenues available to pay Debt Service on the Outstanding CFD No. 2025-2 Bonds or other indebtedness as determined by the CFD Administrator.

"Annual Services Costs" means the annual amount determined by the CFD Administrator as reasonable needed to fund the Authorized Services authorized to be funded by CFD No. 2025-2 for the applicable yearly period.

"Annual Services Special Tax Requirement" means that amount required in any Fiscal Year for CFD No. 2025-2 to (1) pay Administrative Expenses related to the Services Special Tax; (2) pay the Annual Services Costs; (3) pay the amount required to establish or replenish any reserve or replacement fund established for Authorized Services; and (4) provide an amount equal to reasonably anticipated Services Special Tax delinquencies based on the delinquency rate for Services Special Tax levied in the previous Fiscal Year as determined by the CFD Administrator, as may be limited by the Act, and without duplicating any amounts described in clause (1). The amounts referred to in clauses (1) through (4) of the preceding sentence may be reduced in any Fiscal Year (in the City's sole discretion) by (i) surplus balances in funds and accounts for CFD No. 2025-2 Annual Services Costs to the extent that such balances are available to apply against the Annual Services Costs without depleting any reserve or replacement fund, (ii) proceeds from the collection of penalties associated with delinquent Services Special Tax, and (iii) any other revenues available to pay directly for Annual Services Costs as determined by the CFD Administrator.

"Assessor's Data" means the property characteristic data compiled and maintained by the County Assessor for each Assessor's Parcel, including, but not limited to, Assessor's Parcel Number, Acreage, Building Square Footage, and Units.

"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 County Assessor designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" or **"APN"** means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"Assigned Bond Payment Special Tax" means the Assigned Bond Payment Special Tax determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Authorized Services" means the services authorized to be funded in whole or in part, by CFD No. 2025-2.

"Backup Special Tax" means the Backup Bond Payment Special Tax applicable to each Assessor's Parcel of Developed Property, as determined in accordance with the applicable subsection of Section C below.

"Bond Payment Special Tax" means the special tax or special taxes to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property within CFD No. 2025-2 to fund the Annual Bond Payment Special Tax Requirement.

"Building Permit" means a permit issued by the City for new construction of a residential or non-residential building on an Assessor's Parcel.

"Building Square Feet" or **"BSF"** means all of the square footage area within the perimeter of a structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Building Square Feet shall be made by reference Assessor's Data. In the event that the Assessor's Data does not show Building Square Feet, other records of the City or County shall be used as determined by the CFD Administrator.

"CFD Administrator" means an official of the City, or designee thereof, responsible for determining the Annual Bond Payment Special Tax Requirement, the Annual Services Special Tax Requirement, and otherwise providing for the levy and collection of the Special Taxes.

"CFD No. 2025-2" means City of Chowchilla Community Facilities District No. 2025-2 (Replacement of CFD 2006-1), established by the City Council pursuant to the Act.

"CFD No. 2025-2 Bonds" means bonds or other Debt (as defined in section 53317 of the Act), whether in one or more series, issued or assumed by or on behalf of the City for CFD No. 2025-2 under the Act, and secured by pledge of the Bond Payment Special Tax.

"City" means the City of Chowchilla, California.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 2025-2.

"County" means the County of Madera, California.

"Debt Service" means for each Debt Year, the total amount of principal and interest due on any Outstanding CFD No. 2025-2 Bonds.

"Debt Year" means the twelve (12) month period ending on the second debt service payment date of each calendar year.

"Developed Property" means, in any Fiscal Year, all Taxable Property in CFD No. 2025-2 for which a Building Permit for new construction was issued by the City prior to June 30 of the preceding Fiscal Year.

"Development Class" means, individually, Developed Property, Final Map Property, Undeveloped Property, Taxable Property Owner's Association Property and Taxable Public Property.

"Exempt Property" means all property located within the boundaries of CFD No. 2025-2 which is exempt from the Special Tax pursuant to the Act or Section G below.

"Final Map Property" means, in any Fiscal Year, all Residential Lots created within a Final Subdivision Map which has recorded prior to June 30 of the preceding Fiscal Year.

"Final Subdivision Map" means a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.)* or recordation of a condominium plan pursuant to California Civil Code 4285, that creates individual lots for which Building Permits may be issued without further subdivision of such property.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"GIS" or **"Geographic Information System"** means a system designed to capture, store, manipulate, analyze, manage, and present spatial or geographic data.

"Improved Square Foot(age)" means, for Industrial Parking Facility Property, that paved square footage used for parking vehicles plus the structure square footage associated with any office or building on the property, as shown in Assessor's Data or in City building permit data.

"Industrial Parking Facility Property" means all Assessor's Parcels of Developed Property used for the temporary parking or storage of vehicles for a fee.

"Industrial Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for a structure to be used for an industrial purpose, including Industrial Parking Facility Property, according to Assessor's Data or as otherwise known by the CFD Administrator.

"Indenture" means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which CFD No. 2025-2 Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Land Use Class" means any of the classes listed in Table 1 in Section C herein.

"Maximum Bond Payment Special Tax" means the Maximum Bond Payment Special Tax, determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Maximum Services Special Tax" means the Maximum Bond Payment Special Tax, determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property.

"Multi-Family Residential Property" means, in any Fiscal Year, all Assessor's Parcels of Residential 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 Residential 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.

"Non-Residential Property" means, in any Fiscal Year all Assessor's Parcels of Developed Property for which a building permit(s) was issued for a structure intended for non-residential use.

"Open Space Property" means property within the boundaries of CFD No. 2025-2 which (i) has been designated with specific boundaries and Acreage on a final subdivision map as open space, (ii) has been irrevocably offered for dedication as open space to the federal government, the State, the County, the City, or any other public agency, or (iii) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Outstanding CFD No. 2025-2 Bonds" means all CFD No. 2025-2 Bonds which are outstanding under and in accordance with the provisions of the Indenture.

"Property Owner's Association" or **"POA"** means any duly constituted 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 or non-residential owner's association.

"Property Owner's Association Property" means any property within the boundaries of CFD No. 2025-2 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's Association Property.

"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 such Development Class.

"Public Property" means any property within the boundaries of CFD No. 2025-2 which (i) is owned by a public agency, (ii) has been irrevocably offered for dedication to a public agency, or (iii) is designated with specific boundaries and Acreage on a final subdivision map as property which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State, the County, the City, school districts, or any other governmental agency.

"Rate and Method of Apportionment" means this Rate and Method of Apportionment of Special Taxes for CFD No. 2025-2.

"Residential Lot" means, an individual residential lot within a recorded Final Subdivision Map on which a Building Permit has been or is permitted to be issued for construction of one or more Units.

"Residential Property" means all Assessor's Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one or more residential Units.

"Services Special Tax" means the special tax or special taxes to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property within CFD No. 2025-2 to fund the Annual Services Special Tax Requirement.

"Single Family Residential Property" means all Assessor's Parcels of Residential Property for which a building permit(s) has been issued for a residential structure intended as a single primary Unit.

"Special Tax(es)" means collectively Bond Payment Special Tax and Services Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property within CFD No. 2025-2.

"State" means the State of California.

"Taxable Property" means all the Assessor's Parcels within the boundaries of CFD No. 2025-2 that are not exempt from the Special Tax pursuant to law or Section G below.

"Taxable Property Owner's Association Property" means all Assessors Parcels of Property Owner's Association Property that are not exempt pursuant to Section G herein.

"Taxable Public Property" means all Assessors Parcels of Public Property that are not exempt pursuant to Section G herein.

"Trustee" means the trustee or fiscal agent or paying agent acting as such under the applicable Indenture.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Map Property, Taxable Property Owner's Association Property, or Taxable Public Property.

"Unit" means an individual single family detached residential unit or an individual residential unit within a duplex, triplex, fourplex, townhome or condominium structure. The number of Units assigned to each Assessor's Parcel may be determined by (i) referencing Assessor's Data, (ii) site surveys and physical unit counts, and/or (iii) other research by the CFD Administrator. An Accessory Dwelling Unit shall not be considered a Unit for the purposes of the Bond Payment Special Tax, but shall be considered a Unit for the purposes of the Services Special Tax.

"Welfare Exempt Property" means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 2025-2 that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Taxes pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of any CFD No. 2025-2 Bonds, any Assessor's Parcels that received a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Bond Payment Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, the CFD Administrator shall determine the Assessor's Parcel Numbers for all Taxable Property within CFD No. 2025-2 for the then-current Fiscal Year. To the extent a Parcel or Parcels of Taxable Property are subdivided, consolidated, or otherwise reconfigured, the Maximum Bond Payment Special Tax and Maximum Services Special Tax shall be assigned to the new Assessor's Parcels Numbers pursuant to Section C. The CFD Administrator shall also determine: (i) the appropriate Development Class for each Parcel of Taxable Property; (ii) the number of Units or Acreage each Parcel contains; (iii) the property type, i.e., Residential Property and Non-Residential Property, etc.; and (iv) the Annual Bond Payment Special Tax Requirement and Annual Services Special Tax Requirement for the Fiscal Year.

C. MAXIMUM BOND PAYMENT SPECIAL TAX RATES

The Maximum Bond Payment Special Tax for each Assessor's Parcel shall be the greater of (i) the amount derived by application of the Assigned Bond Payment Special Tax or (ii) the amount derived by application of the Backup Bond Payment Special Tax.

1. Assigned Bond Payment Special Tax

The Assigned Bond Payment Special Tax for each Assessor's Parcel is shown in Table 1.

TABLE 1

ASSIGNED BOND PAYMENT SPECIAL TAX
FISCAL YEAR 2026/27

Land Use Class	Development Class	Description	Assigned Bond Payment Special Tax
1	Developed Property, Final Map Property, Taxable Property Owner's Association Property, Taxable Public Property	Single Family Residential Property	$1,040.40 per Unit
2	Developed Property, Final Map Property, Taxable Property Owner's Association Property, Taxable Public Property	Multi-Family Residential Property	$520.20 per Unit
3	Developed Property	Accessory Dwelling Unit	$0 per Unit
4	Developed Property, Final Map Property, Taxable Property Owner's Association Property, Taxable Public Property	Non-Residential Property	$2,080.80 per Acre
5	Undeveloped Property	Undeveloped Property	$2,601.00 per Acre

2. Backup Bond Payment Special Tax

The Fiscal Year 2026/27 Backup Bond Payment Special Tax will equal $3,121.20 per Acre.

3. Increase in the Assigned Bond Payment Special Tax and Backup Bond Payment Special Tax

On each July 1, commencing on July 1, 2027, the Assigned Bond Payment Special Tax and the Backup Bond Payment Special Tax shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

4. **Multiple Land Use Classes**

In some instances, an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Bond Payment Special Tax levied on an Assessor's Parcel shall be the sum of the Bond Payment Special Tax for all Land Use Classes located on that Assessor's Parcel.

D. MAXIMUM SERVICES SPECIAL TAX RATES

The Maximum Services Special Tax for each Assessor's Parcel is shown in Table 2.

TABLE 2

MAXIMUM SERVICES SPECIAL TAX
FISCAL YEAR 2026/27

Land Use Class	Development Class	Description	Maximum Services Special Tax
1	Developed Property	Single Family Residential Property	$952.18 per Unit
2	Developed Property	Multi-Family Residential Property	$952.18 per Unit
3	Developed Property	Accessory Dwelling Unit	$380.88 per Unit
4	Developed Property	Industrial Property	$0.2251 per Improved or Building Square Foot
5	Undeveloped Property	Undeveloped Property	$0 per Acre

1. **Increase in the Maximum Services Special Tax**

On each July 1, commencing on July 1, 2027, the Maximum Services Special Tax shall be increased by an amount equal to three percent (3%) of the amount in effect for the previous Fiscal Year.

2. **Multiple Land Use Classes**

In some instances, an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Services Special Tax levied on an Assessor's Parcel shall be the sum of the Services Special Tax for all Land Use Classes located on that Assessor's Parcel.

E. METHOD OF APPORTIONMENT OF THE BOND PAYMENT SPECIAL TAX

Commencing with Fiscal Year 2026/27 and for each following Fiscal Year, the CFD Administrator shall determine the Annual Bond Payment Special Tax Requirement and shall levy the Bond Payment Special Tax until the amount of the Bond Payment Special Tax levied equals the Annual Bond Payment Special Tax Requirement. The Bond Payment Special Tax shall be levied each Fiscal Year as follows:

First: The Bond Payment Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at a rate up to 100% of the applicable Assigned Bond Payment Special Tax to satisfy the Annual Bond Payment Special Tax Requirement.

Second: If additional monies are needed to satisfy the Annual Bond Payment Special Tax Requirement after the first step has been completed, the Bond Payment Special Tax shall be levied Proportionately on each Assessor's Parcel of Final Map Property at a rate up to 100% of the Maximum Bond Payment Special Tax for Final Map Property to satisfy the Annual Bond Payment Special Tax Requirement.

Third: If additional monies are needed to satisfy the Annual Bond Payment Special Tax Requirement after the second step has been completed, the Bond Payment Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property at a rate up to 100% of the Maximum Bond Payment Special Tax for Undeveloped Property to satisfy the Annual Bond Payment Special Tax Requirement.

Fourth: If additional monies are needed to satisfy the Annual Bond Payment Special Tax Requirement after the first three steps have been completed, then the levy of the Bond Payment Special Tax on each Assessor's Parcel of Developed Property whose Maximum Bond Payment Special Tax is determined through the application of the Backup Bond Payment Special Tax shall be increased in equal percentages from the applicable Assigned Bond Payment Special Tax up to 100% of the Maximum Bond Payment Special Tax for each such Assessor's Parcel to satisfy the Annual Bond Payment Special Tax Requirement.

Fifth: If additional monies are needed to satisfy the Annual Bond Payment Special Tax Requirement after the first five steps have been completed, then the Bond Payment Special Tax shall be levied Proportionately on all Taxable Public Property at a rate up to 100% of the Maximum Bond Payment Special Tax for Taxable Public Property to satisfy the Annual Bond Payment Special Tax Requirement.

Notwithstanding the above, under no circumstances will the Bond Payment Special Tax levied against any Assessor's Parcel of Residential Property in any Fiscal Year be increased as a consequence of the delinquency or default in the payment of the Bond Payment Special Tax by the owner or owners of any other Taxable Property by more than ten percent above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

F. METHOD OF APPORTIONMENT OF THE SERVICES SPECIAL TAX

Commencing with Fiscal Year 2026/27 and for each following Fiscal Year, the CFD Administrator shall determine the Annual Services Special Tax Requirement and shall levy the Services Special Tax until the amount of the Services Special Tax levied equals the Annual Services Special Tax Requirement. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at a rate up to 100%of the applicable Assigned Services Special Tax to satisfy the Annual Services Special Tax Requirement.

Notwithstanding the above, under no circumstances will the Services Special Tax levied against any Assessor's Parcel of Residential Property in any Fiscal Year be increased as a consequence of the delinquency or default in the payment of the Services Special Tax by the owner or owners of any other Taxable Property by more than ten percent above the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

G. EXEMPTIONS

1. Public Property, that is not exempt from the Bond Payment Special Tax pursuant to the Act, shall be classified as Taxable Public Property. Taxable Public Property shall be subject to the levy of the Bond

Payment Special Tax and shall be taxed Proportionately as part of the fifth step in Section E above, at up to 100% of the applicable Maximum Bond Payment Special Tax for Taxable Public Property.

2. No Services Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property.

H. 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 with respect to one or more specific Assessor's Parcels. 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 Taxes theretofore levied on the Assessor's Parcel(s). In addition, during the term of the appeal process, all Special Tax levied must be paid for the subject Assessor's Parcel(s) prior to delinquency.

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 City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Tax to be modified or changed in favor of the property owner, 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.

I. INTERPRETATION OF RATE AND METHOD OF APPORTIONMENT

The City may, by resolution or ordinance, interpret, clarify and/or revise this Rate and Method of Apportionment to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Taxes, method of apportionment, classification of Assessor's Parcels, or any definition used herein, as long as once CFD No. 2025-2 Bonds have been issued such correction does not materially adversely affect the levy and collection of Special Taxes on any Assessor's Parcel needed to repay the CFD No. 2025-2 Bonds. In addition, the interpretation and application of any section of this document shall be at the CFD Administrator's discretion.

J. MANNER OF COLLECTION

The Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, that the CFD Administrator 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 No. 2025-2. The City may covenant to foreclose and may actually foreclose or cause an action for foreclosure to be prosecuted in respect of Assessor's Parcels of Taxable Property that are delinquent in the payment of the Special Tax.

K. PREPAYMENT OF BOND PAYMENT SPECIAL TAX

1. Prepayment in Full

The Bond Payment Special Tax obligation of an Assessor's Parcel of Developed Property, Taxable Property Owner's Association Property, Taxable Public Property, or Final Map Property may be prepaid and permanently satisfied as described herein; provided that there are no delinquent installments of the Special Tax with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Bond Payment Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 45 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. Prepayment must be made not less than 75 days prior to the next occurring date that notice of redemption of outstanding CFD No. 2025-2 Bonds, if any. If a prepayment is made prior to the issuance of CFD No. 2025-2 Bonds, the Redemption Premium, Interest Amount, Reserve Fund Credit and Capitalized Interest Credit as calculated below, shall be zero. The CFD Administrator may charge the property owner requesting a prepayment calculation a fee for providing this service.

The Bond Payment Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

	Bond Redemption Amount	
	plus	Redemption Premium
	plus	Interest Amount
	plus	Administrative Fees and Expenses
	less	Reserve Fund Credit
	<u>less</u>	<u>Capitalized Interest Credit</u>
Total:	equals	Special Tax Prepayment Amount

As of the proposed date of prepayment, the Bond Payment Special Tax Prepayment Amount (defined below) shall be calculated by the CFD Administrator as follows:

<u>Step Number:</u>

1. Confirm that no Special Tax delinquency apply to such Assessor's Parcel, and if delinquencies are applicable compute all amounts due, including interest and penalties.

2. For Assessor's Parcels of Developed Property, Taxable Property Owner's Association Property, Taxable Public Property, and Final Map Property compute the Assigned Bond Payment Special Tax and Backup Bond Payment Special Tax.

3. a. Divide the Assigned Bond Payment Special Tax computed pursuant to Step 2 by the total estimated Assigned Bond Payment Special Tax for CFD No. 2025-2 based on the Bond Payment Special Tax which could be charged in the current Fiscal Year.

b. Divide the Backup Bond Payment Special Tax computed pursuant to Step 2 by the total estimated Backup Special Bond Payment Tax for CFD No. 2025-2 which could be charged in the current Fiscal Year.

c. Determine which quotient computed pursuant to Step 3.a or 3.b is larger (the "Maximum Bond Payment Special Tax Percentage").

4. Multiply the Maximum Bond Payment Special Tax Percentage by the outstanding CFD No. 2025-2 Bonds to compute the principal amount of outstanding CFD No. 2025-2 to be redeemed (the *"Bond Redemption Amount"*).

5. Multiply the Bond Redemption Amount computed pursuant to Step 4 by the applicable redemption premium, if any, on the outstanding CFD No. 2025-2 Bonds to be redeemed (the "*Redemption Premium*") determined by reference to the Indenture.

6. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding CFD No. 2025-2 Bonds (the "*Interest Amount*").

7. Verify the administrative fees and expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming the outstanding CFD No. 2025-2 Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "*Administrative Fees and Expenses*").

8. If reserve funds for the outstanding CFD No. 2025-2 Bonds held under the Indenture, if any, are at or above 100% of the then reserve requirement (as required by the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve requirement for the outstanding CFD No. 2025-2 Bonds to be redeemed pursuant to the prepayment (the "*Reserve Fund Credit"*). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the applicable reserve requirement on the prepayment date or if the Reserve Fund is satisfied by a credit instrument rather than cash funded.

9. If any capitalized interest for the outstanding CFD No. 2025-2 Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the Maximum Special Tax Percentage by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the "Capitalized Interest Credit").

10. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 4, 5, 6, and 7 less the amount computed pursuant to Steps 8 and 9 (the " *Prepayment Amount*").

11. From the Prepayment Amount, the amounts computed pursuant to Steps 4, 5, 6, and 7 shall be deposited into the appropriate fund as established under the Indenture and be used to redeem outstanding CFD No. 2025-2 Bonds or make Debt Service payments. The amount computed pursuant to Step 7 shall be retained by the City for the payment of Administrative Fees and Expenses.

The Special Tax Prepayment Amount may be sufficient to redeem other than a $5,000 increment of outstanding CFD No. 2025-2 Bonds. In such cases, the increment above $5,000 or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of outstanding CFD No. 2025-2 Bonds or to make Debt Service payments.

Current year Special Taxes that are not yet paid will remain outstanding and will be collected in the manner billed. With respect to any Assessor's Parcel that is prepaid, the CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate the prepayment of the Special Tax and the obligation of such Assessor's Parcel satisfied.

Notwithstanding the foregoing, no prepayment will be allowed unless the Maximum Special Tax that may be levied on Taxable Property both prior to and after the proposed prepayment is at least 1.1 times the maximum annual Debt Service on all Outstanding CFD No. 2025-2 Bonds plus annual Administrative Expenses, as reasonably estimated by the CFD Administrator.

2. Prepayment in Part

The Bond Payment Special Tax may be partially prepaid, provided that a partial prepayment may be made only after all authorized CFD No. 2025-2 Bonds have been issued and only if there are no delinquent Annual Special Taxes with respect to such Assessor's Parcel at the time of partial prepayment. The amount of the prepayment shall be calculated as in Section K.1; except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = P_E \text{ x } F.$$

These terms have the following meaning:

PP = the partial prepayment

P_E = the Special Tax Prepayment Amount calculated according to Section K.1

F = the percentage of the Special Tax Prepayment Amount calculated according to Section K.1 to be prepaid

The Bond Payment Special Tax partial prepayment amount must be sufficient to redeem at least a $5,000 increment of Bonds.

The owner of any Assessor’s Parcel who desires such partial prepayment shall notify the CFD Administrator of such owner’s intent to partially prepay the Special Tax and the percentage by which the Bond Payment Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Bond Payment Special Tax for an Assessor’s Parcel within 45 days of the request and may charge a fee for providing this service. With respect to any Assessor’s Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the prepayment funds remitted according to Section K.1, and (ii) indicate in the records of CFD No. 2025-2 that there has been a partial prepayment of the Bond Payment Special Tax and that a portion of the Bond Payment Special Tax with respect to such Assessor’s Parcel, equal to the outstanding percentage (1.00 - F) of the remaining Maximum Bond Payment Special Tax, shall continue to be levied on such Assessor’s Parcel pursuant to Section E.

L. PREPAYMENT OF SERVICES SPECIAL TAX

The Services Special Tax may not be prepaid.

M. TERM

The Bond Payment Special Tax shall be levied and collected as needed to fund the Annual Bond Payment Special Tax Requirement for up to 13 years from the initial levy of the Bond Payment Special Tax. In any event no Bond Payment Special Tax shall be levied for CFD. No. 2025-2 after the 2036/37 Fiscal Year.

The Services Special Tax shall be levied commencing in Fiscal Year 2026/27 to the extent necessary to satisfy the Annual Services Special Tax Requirement and shall be levied each Fiscal Year thereafter in perpetuity for as long as required to satisfy the Annual Services Special Tax Requirement.

EXHIBIT B

CITY OF CHOWCHILLA
COMMUNITY FACILITIES DISTRICT NO. 2025-2
(REPLACEMENT OF CFD 2006-1)

DESCRIPTION OF 2007 BONDS TO BE REPAID AND SERVICES AUTHORIZED TO BE FUNDED

2007 Bonds to be Repaid

It is intended that CFD No. 2025-2 be authorized to repay the City of Chowchilla Community Facilities District No. 2006-1, Improvement Area 1, Special Tax Bonds, Series 2007, on any date on or before their maturity.

Services

The Services to be funded, in whole or in part, by CFD No. 2025-2 include police protection services and fire protection and suppression services, including but not limited to (i) the cost of contracting services, (ii) equipment, vehicles, ambulances and paramedics, fire apparatus and supplies, (iii) park maintenance, and (iv) storm drainage system operation and maintenance, (v) the salaries and benefits of City staff that directly provide police protection services and fire protection services and suppression services and the services described in clauses (iii) and (iv), and (vi) City overhead costs associated with providing such services within CFD No. 2025-2.

Other

Other costs and expenses permitted to be funded with the levy of special taxes within CFD No. 2025-2 include:

1. Costs related to the formation of CFD No. 2025-2.

2. Administrative expenses related to CFD No. 2025-2, including the direct and indirect expenses incurred by the City in carrying out its duties with respect to CFD No. 2025-2 (including, but not limited to, the levy and collection of the special taxes), the fees and expenses of attorneys any fees of the County of Madera related to CFD No. 2025-2 or the collection of special taxes, an allocable share of the salaries of the City staff directly related to the administration of CFD No. 2025-2 and a proportionate amount of the City's general administrative overhead related thereto, any amounts paid by the City from its general fund with respect to the Services authorized to be funded by CFD No. 2025-2, and expenses incurred by the City in undertaking action related to properties for which the payment of special taxes is delinquent, and all other costs and expenses of the City in any way related to CFD No. 2025-2.

3. Bond related expenses, including underwriters discount, municipal advisor fees and expenses, appraisal and absorption study costs, reserve fund, capitalized interest, bond and disclosure counsel fees and expenses, trustee or fiscal agent fees and expenses, City costs and expenses related to any bonds and disclosure materials, and all other incidental expenses.