

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
OCEANSIDE, ACTING IN ITS CAPACITY AS THE
LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT
NO. 2006-1 OF THE CITY OF OCEANSIDE (PACIFIC COAST
BUSINESS PARK) AUTHORIZING THE LEVY OF A SPECIAL
TAX FOR FISCAL YEAR 2025-2026

WHEREAS, on January 18, 2006, the City Council of the City of Oceanside (the “City Council”) adopted Resolution No. 06-R0031-1 stating its intention to form Community Facilities District No. 2006-1 of the City of Oceanside (Pacific Coast Business Park) (“Community Facilities District No. 2006-1”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Section 53311 *et seq.* of the Government Code (the “Act”); and

WHEREAS, on January 18, 2006, the City Council also adopted Resolution No. 06-R0032-1 stating its intention to incur bonded indebtedness in the amount of \$12,000,000 within proposed Community Facilities District No. 2006-1 for the purpose of financing the facilities and incidental expenses described in Resolution No. 06-R0031-1 to serve the area within Community Facilities District No. 2006-1; and

WHEREAS, on February 22, 2006, the City Council adopted Resolution No. 06-R0075-1 which established Community Facilities District No. 2006-1, authorized the levy of a special tax within Community Facilities District No. 2006-1 and called an election within Community Facilities District No. 2006-1 on the ballot proposition relating to levying a special tax combined and consolidated with the proposition relating to the incurring of bonded indebtedness; and

WHEREAS, on February 22, 2006, the City Council also adopted Resolution No. 06-R0076-1 which determined the necessity to incur bonded indebtedness in the amount of \$12,000,000 within Community Facilities District No. 2006-1 and called an election within Community Facilities District No. 2006-1 for February 22, 2006, on the proposition of incurring bonded indebtedness combined and consolidated with the proposition of levying a special tax; and

1 WHEREAS, on February 22, 2006, an election was held within Community Facilities
2 District No. 2006-1 at which the qualified electors approved by more than a two-thirds vote the
3 proposition of incurring bonded indebtedness of \$12,000,000 and levying a special tax as set forth in
4 Resolution No. 06-R0075-1; and

5 WHEREAS, on February 22, 2006, the City Council adopted Resolution No. 06-R0077-1
6 which certified the results of the February 22, 2006 election conducted by the City Clerk, which
7 results showed that more than two-thirds of the votes cast were in favor of the proposition to incur
8 bonded indebtedness and levy the special tax; and

9
10 WHEREAS, on March 8, 2006, the City Council adopted Ordinance No. 06-OR0098-1
11 which authorized the levy of the special tax within Community Facilities District No. 2006-1; and

12 WHEREAS, this City Council hereby certifies that the Ordinance authorizing the levy of the
13 special taxes within Community Facilities District No. 2006-1 has been duly adopted in accordance
14 with law and is legal and valid; and

15 WHEREAS, the Ordinance provides that the City Council is further authorized to determine,
16 by ordinance, or by resolution if permitted by then applicable law, on or before August 10 of each
17 year, the specific special tax to be levied on each parcel of land in Community Facilities District
18 No. 2006-1; and

19
20 WHEREAS, it is now necessary and appropriate that this City Council levy and collect the
21 special taxes for Fiscal Year 2025-2026 for the purpose specified in the Ordinance, by the adoption
22 of a resolution as specified by the Act and the Ordinance; and

23 WHEREAS, the special taxes being levied hereunder are at the same rate or at a lower rate
24 than provided by the Ordinance;

25 NOW, THEREFORE, the City Council of the City of Oceanside acting in its capacity as the
26 legislative body of Community Facilities District No. 2006-1 does resolve as follows:

27 Section 1. The above recitals are all true and correct.
28

1 Section 2. In accordance with Section 53340 of the Act and the Ordinance, there is hereby
2 levied upon the parcels within the District which are not otherwise exempt from taxation under the
3 Act or the Ordinance the special taxes for Fiscal Year 2025-2026 (the “Special Taxes”), at the tax
4 rates set forth in Attachment A hereto and the Special Tax Consultant shall apportion the Special
5 Taxes in the manner specified in Resolution No. 06-R0075-1 and the report prepared by the Special
6 Tax Consultant entitled “Administration Report Fiscal Year 2025-2026” (Attachment A) submitted
7 herewith. Such rates do not exceed the maximum rates set forth in the Ordinance. After adoption of
8 this Resolution, but no later than August 10, 2025, the Special Tax Consultant shall deliver the list of
9 all parcels subject to the special tax levy including the amount of the Special Taxes to be levied on
10 each parcel in Fiscal Year 2025-2026 (the “Tax Roll List”) to the Financial Services Director or his
11 or her designee and thereafter, but in no event later than August 10, 2025, the Financial Services
12 Director or the designee shall cause a certified copy of this Resolution together with the Tax Roll
13 List, to be filed with the County Auditor-Controller. The Tax Roll List may contain tax rates lower
14 than those set forth in Attachment A if the Financial Services Director determines that such lower
15 rates are adequate to accomplish the purposes of the District in Fiscal Year 2025-2026. The
16 Financial Services Director or the designee and the County Auditor-Controller are hereby authorized
17 to make changes to the Tax Roll List from time to time to correct any error in the amount of the levy
18 on any parcel to make it consistent with the rate and method of apportionment attached to the
19 Ordinance, including, but not limited to, adding any parcels omitted from the Tax Roll List or
20 deleting any parcels included in the Tax Roll List.

23 Section 3. Properties or entities of the state, federal or local governments shall be exempt
24 from the above-referenced and approved Special Taxes only to the extent set forth in the Ordinance
25 and otherwise shall be subject to the Special Taxes consistent with the provisions of Section 53317.3
26 of the Act in effect as of the date of adoption of this Resolution.

1 Section 4. All of the collections of the Special Taxes shall be used only as provided for in the
2 Act and Resolution No. 06-R0076-1. The Special Taxes shall be levied only so long as needed to
3 accomplish the purposes described in Resolution No. 06-R0075-1.

4 Section 5. The Special Taxes shall be collected in the same manner as ordinary ad valorem
5 taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien
6 priority in cases of delinquency as provided for ad valorem taxes as such procedure may be modified
7 by law or this City Council from time to time.

8 Section 6. As a cumulative remedy, if any amount levied as the Special Taxes for payment
9 of interest or principal on any outstanding bonds of the District (the "Bonds"), together with any
10 penalties and other charges accruing under this Resolution, are not paid when due, the City Council
11 may, not later than four years after the due date of the last installment of principal on the Bonds,
12 order that the same be collected by an action brought in the superior court to foreclose the lien of
13 such Special Taxes.

14 Section 7. The Financial Services Director or the designee is hereby authorized to transmit a
15 certified copy of this Resolution, together with the Tax Roll List, to the County Auditor-Controller,
16 together with other supporting documentation as may be required to place the Special Taxes on the
17 secured property tax roll for Fiscal Year 2025-2026 and for the collection of the Special Taxes in the
18 manner of ad valorem property taxes and to perform all other acts which are required by the Act, the
19 Ordinance, or by law or deemed necessary by the Financial Services Director in order to accomplish
20 the purpose of this Resolution, the Act or Bond covenants.

21 Section 8. This Resolution shall be effective upon its adoption.

22 ///

23 ///

24 ///

1 PASSED AND ADOPTED by the City Council of the City of Oceanside, California, this 4th day of
2 June, 2025, by the following vote:

3 AYES:

4 NAYS:

5 ABSENT:

6 ABSTAIN:

7
8
9 _____
MAYOR OF THE CITY OF OCEANSIDE

10
11 ATTEST:

APPROVED AS TO FORM:

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13 _____
City Clerk

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Barbara Hamilton, C.A.S.T.
City Attorney



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Municipal
Solutions

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FISCAL YEAR 2025-2026 ADMINISTRATION REPORT

CITY OF OCEANSIDE

**COMMUNITY FACILITIES DISTRICT NO. 2006-1
(PACIFIC COAST BUSINESS PARK)**

May 5, 2025

**Public Finance
Public-Private Partnerships
Development Economics
Clean Energy Bonds**

*Irvine / San Jose / San Francisco / Riverside
Dallas / Houston / Raleigh / Tampa*

CITY OF OCEANSIDE



FISCAL YEAR 2025-2026 ADMINISTRATION REPORT

Community Facilities District No. 2006-1

(Pacific Coast Business Park)

Prepared for:

City of Oceanside

300 North Coast Highway

Oceanside, CA 92054

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INTRODUCTION

This report provides an analysis of the financial and administrative obligations of Community Facilities District No. 2006-1 ("CFD No. 2006-1") of the City of Oceanside (the "City") resulting from the sale of the \$8,880,000 Series 2008 Special Tax Bonds (the "2008 Bonds") in May 2008. The City issued \$9,060,000 in Special Tax Refunding Bonds in January 2017 (the "2017 Bonds") to refund all outstanding principal on the 2008 Bonds.

CFD No. 2006-1 is a legally constituted governmental entity established under the Mello-Roos Community Facilities Act of 1982, (the "Act") as amended. The Act provides an alternative method for the financing of certain public capital facilities and services. Specifically, CFD No. 2006-1 is authorized to issue up to \$12,000,000 in bonds. The proceeds of the Series 2008 Bonds are to be used to construct and acquire various public improvements including sewer, water, storm drain, and roadway facilities necessary for the development of the property within CFD No. 2006-1. The proceeds of the 2017 Bonds are to be used to refund all of the Series 2008 Bonds, to fund a deposit to the Reserve Account, and to pay the costs of issuance of the Series 2017 Bonds. The current outstanding principal is equal to \$7,485,000 which is based on principal paid through September 1, 2024. The 2017 Bonds will be paid off in the year 2038. Pursuant to the Rate and Method of Apportionment ("RMA"), the special tax shall be levied each year to fully satisfy the special tax requirement, but in no event shall it be levied after fiscal year 2055-2056.

A map showing the property in CFD No. 2006-1 is included in Appendix A.

The bonded indebtedness of CFD No. 2006-1 is both secured and repaid through the annual levy and collection of special taxes from all property subject to the tax within the community facilities district. In calculating the special tax liability for fiscal year 2025-2026, this report examines the financial obligations of the current fiscal year and analyzes the level of development within CFD No. 2006-1.

This report is organized into the following sections:

- **Section I:** Section I provides an update of the development status of property within CFD No. 2006-1.
- **Section II:** Section II analyzes the previous year's special tax levy.
- **Section III:** Section III determines the financial obligations of CFD No. 2006-1 for fiscal year 2025-2026.
- **Section IV:** Section IV reviews the methodology used to apportion the special tax requirement between Developed Property and Undeveloped Property. A table of the fiscal year 2025-2026 special taxes for each classification of property is included.

I SPECIAL TAX CLASSIFICATIONS AND DEVELOPMENT UPDATE

A Special Tax Classifications

The methodology employed to calculate and apportion the special tax is contained in a document entitled the Rate and Method of Apportionment. The Rate and Method of Apportionment defines two primary categories of property, namely "Developed Property" and "Undeveloped Property." Developed Property is distinguished from Undeveloped Property by the issuance of a building permit. Specifically, property for which a building permit was issued prior to January 1 will be classified as Developed Property in the following fiscal year. For example, all property in CFD No. 2006-1 for which building permits were issued prior to January 1, 2025, will be classified as Developed Property in fiscal year 2025-2026. Developed Property is taxed based on the greater of a rate per acre or a rate per building square foot.

B Development Update

Background research was conducted to determine the amount and type of development activity that occurred during the previous fiscal year. Review of the City of Oceanside's building permit records indicated that between January 1, 2024, and December 31, 2024, no new building permits had been issued within CFD No. 2006-1.

The table below lists the aggregate amount of taxable property by special tax classification.

Table 1: Aggregate Amounts of Taxable Property

Description	No. of Acres	No. of Building Square Feet
Developed Property Taxed Per Acre	49.43 Acres	391,192 SF
Developed Property Taxed Per Building Square Foot	42.00 Acres	680,183 SF
Undeveloped Property	13.22 Acres	N/A

II FISCAL YEAR 2024-2025 SPECIAL TAX LEVY

The special tax levy for CFD No. 2006-1 for fiscal year 2024-2025 equaled \$661,808. As of February 5, 2025, all \$661,808 in special taxes had been collected by the County.

CFD No. 2006-1 has covenanted to commence foreclosure proceedings against (i) parcels with delinquent special taxes in excess of \$10,000 by October 1 following the close of each fiscal year in which such special taxes are due, (ii) all parcels with delinquent special taxes by the October 1 following the close of each fiscal year in which it receives special taxes in an amount which is less than 95% of the total special tax levied and the amount on deposit in the Reserve Account is at less than the Reserve Requirement, and (iii) will diligently pursue such foreclosure proceedings until the delinquent special taxes are paid.

CFD No. 2006-1 is not required to commence foreclosure proceedings against any parcels based on the current level of delinquencies.

SECTION III FISCAL YEAR 2025-2026 SPECIAL TAX REQUIREMENT

III FISCAL YEAR 2025-2026 SPECIAL TAX REQUIREMENT

For fiscal year 2025-2026, the special tax requirement is equal to \$631,988 and is calculated as follows:

Table 2: Fiscal Year 2025-2026 Special Tax Requirement

	Subtotal	Total
Fiscal Year 2025-2026 Obligations		\$739,987
Interest Due March 1, 2026	\$167,394	
Interest Due September 1, 2026	\$167,394	
Principal Due September 1, 2026	\$335,000	
Administrative Expenses ¹	\$42,007	
Fiscal Year 2024-2025 Surplus Applied as Credit for Fiscal Year 2025-2026		(\$40,105)
Fiscal Year 2025-2026 Special Tax Requirement		\$631,988

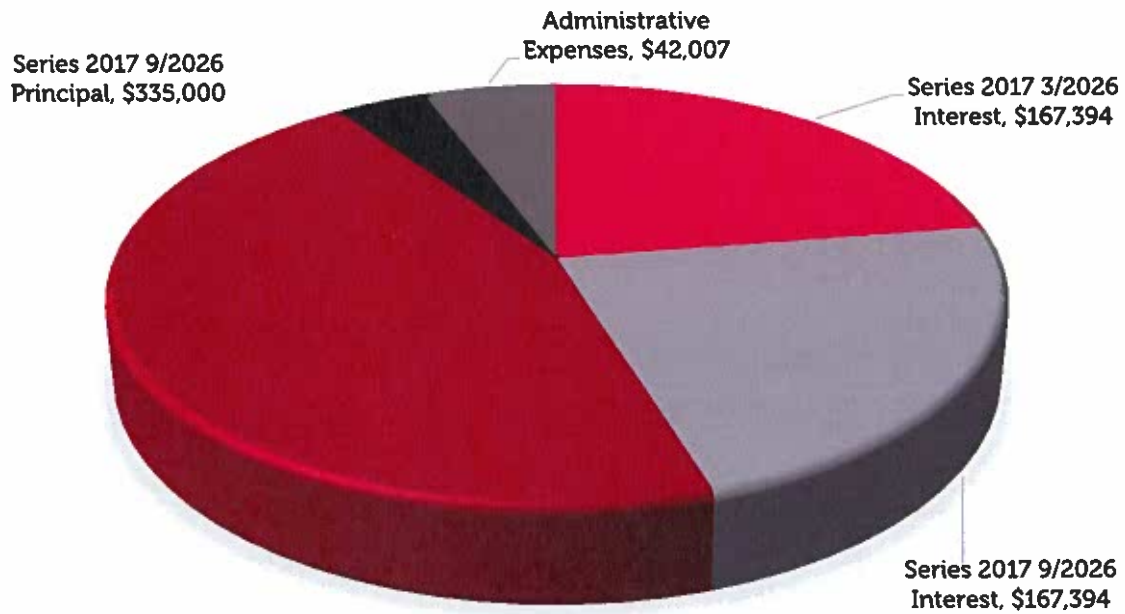
Notes:

1. Administrative expense amount needed per City on February 4, 2025. Pursuant to the Indenture, there is no administrative expense cap.

The components of the fiscal year 2025-2026 gross special tax requirement are shown graphically on the following page.

SECTION III FISCAL YEAR 2025-2026 SPECIAL TAX REQUIREMENT

Figure 1: Fiscal Year 2025-2026 Gross Special Tax Requirement



Total Fiscal Year 2025-2026 Gross Special Tax Requirement: \$631,988

IV METHOD OF APPORTIONMENT

A Maximum Special Taxes

The amount of special taxes that CFD No. 2006-1 may levy is strictly limited by the maximum special taxes set forth in the Rate and Method of Apportionment. The fiscal year 2006-2007 maximum special tax for Undeveloped Property and the assigned special tax for Developed Property are specified in Section C of Rate and Method of Apportionment. These special tax rates escalate by 2% each fiscal year.

B Apportionment of Special Taxes

The special tax that is apportioned to each parcel is determined through the application of Section D of the Rate and Method of Apportionment. Section D apportions the special tax requirement in four steps which prioritize the order in which Developed Property and Undeveloped Property are taxed.

The first step states that the special tax shall be levied against each parcel of Developed Property at up to 100% of the assigned special tax. If the special taxes raised pursuant to the first step are less than the special tax requirement, then the second step is applied. The second step states that the special tax shall be levied against each parcel of Undeveloped Property at up to 100% of the assigned special tax. The third and fourth steps are designed to accommodate changes in land use and are intended to be used only as a last resort. Since actual land uses have not substantially deviated from the original projections, these steps are not necessary.

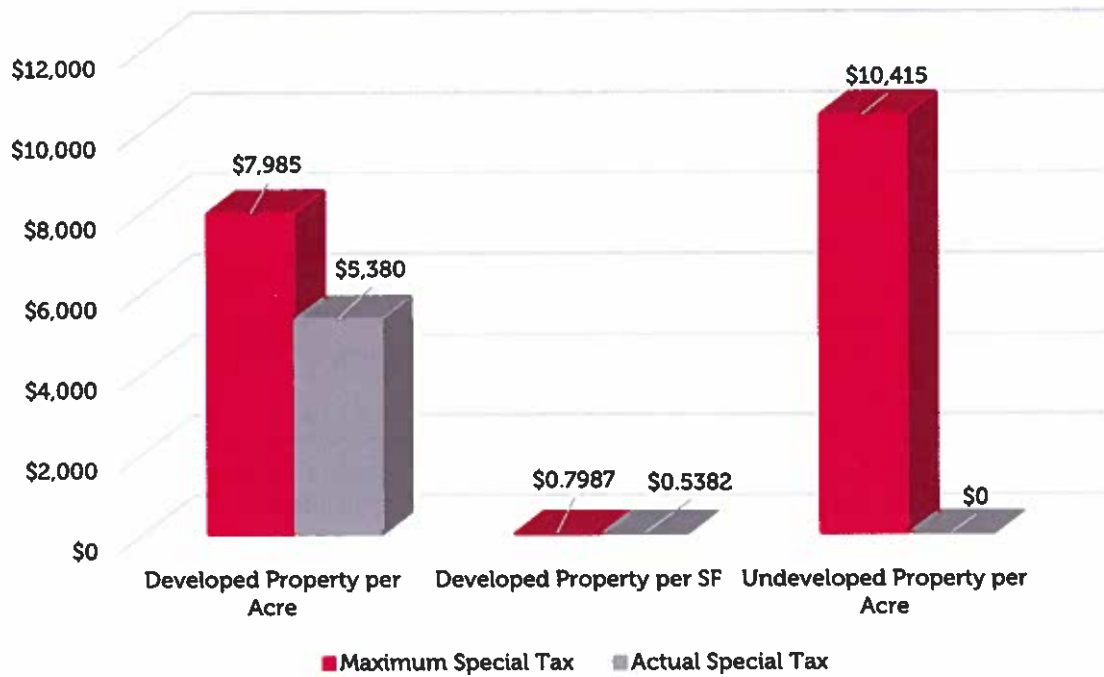
Application of the maximum special taxes under the first step generates special tax revenues of \$937,952 from Developed Property which is more than sufficient to meet the fiscal year 2025-2026 Special Tax Requirement as outlined in Section III. Therefore, the fiscal year 2025-2026 special tax for Developed property is equal to approximately 67.38% of the maximum special tax. The fiscal year 2025-2026 maximum and actual special taxes are shown for each classification of Developed Property and Undeveloped Property below.

**Table 3: Fiscal Year 2025-2026 Special Taxes
for Developed Property and Undeveloped Property**

Description	FY 2025-2026 Assigned/Maximum Special Tax per SF/Acre	FY 2025-2026 Actual Special Tax per SF/Acre
Developed Property (Per Acre)	\$7,984.82	\$5,380.14
Developed Property (Per Square Foot)	\$0.7987	\$0.5382
Undeveloped Property (Per Acre)	\$10,414.74	\$0.00

A list of the actual special tax levied against each parcel in CFD No. 2006-1 is included in Appendix C.

Figure 2: Fiscal Year 2025-2026 Maximum and Actual Special Tax Rates



APPENDIX A

City of Oceanside
Community Facilities District No. 2006-1
(Pacific Coast Business Park)
Fiscal Year 2025-2026 Administration Report



BOUNDARY MAP

APPENDIX A

City of Oceanside
Community Facilities District No. 2006-1
(Pacific Coast Business Park)
Fiscal Year 2025-2026 Administration Report



BOUNDARY MAP

**City of Oceanside
Community Facilities District No. 2006-1
(Pacific Coast Business Park)**



APPENDIX B

City of Oceanside
Community Facilities District No. 2006-1
(Pacific Coast Business Park)
Fiscal Year 2025-2026 Administration Report



RATE AND METHOD OF APPORTIONMENT

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF OCEANSIDE
COMMUNITY FACILITIES DISTRICT NO. 2006-1
(PACIFIC COAST BUSINESS PARK)**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in the City of Oceanside Community Facilities District No. 2006-1 (Pacific Coast Business Park) ("CFD No. 2006-1") and collected each Fiscal Year commencing in Fiscal Year 2006-2007, in an amount determined by the City Council of the City of Oceanside, through the application of the Rate and Method of Apportionment as described below. All of the real property in CFD No. 2006-1, 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:

"Acre or Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map.

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

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2006-1: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2006-1 or any designee thereof of complying with arbitrage rebate requirements; the costs to the City, CFD No. 2006-1 or any designee thereof of complying with City, CFD No. 2006-1 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2006-1 or any designee thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2006-1 for any other administrative purposes of CFD No. 2006-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"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 County Assessor of the County designating parcels by Assessor's parcel number.

"Assigned Special Tax" means the Special Tax for each Assessor's Parcel of Developed Property, as determined in accordance with Section C below.

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

"Bonds" means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by CFD No. 2006-1 under the Act.

"CFD No. 2006-1" means the City of Oceanside Community Facilities District No. 2006-1 (Pacific Coast Business Park).

"City" means the City of Oceanside.

"Council" means the City Council of the City.

"County" means the County of San Diego.

"Developed Floor Area" means the total building square footage of the building(s) located on an Assessor's Parcel, measured from outside wall to outside wall, exclusive of overhangs, porches, patios, garages, carports, or similar spaces attached to the building. The determination of Developed Floor Area shall be made by reference to the building permit(s) issued for such Assessor's Parcel.

"Developed Property" means, for each Fiscal Year, all Taxable Property, exclusive of Taxable Public Property and Taxable Property Owner Association Property, for which a building permit for new construction was issued prior to January 1 of the prior Fiscal Year.

"Finance Director" means the Financial Services Director of the City or his or her designee.

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

"Indenture" means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time.

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

"Outstanding Bonds" means all Bonds which are deemed to be outstanding under the Indenture.

"Proportionately" means, for Developed Property, that the ratio of the actual Special Tax levy to the Assigned Special Tax is equal for all Assessor's Parcels of Developed Property. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax

levy per Acre to the Maximum Special Tax per Acre is equal for all Assessor's Parcels of Undeveloped Property.

"Property Owner Association Property" means any property within the boundaries of CFD No. 2006-1 that is owned by or irrevocably dedicated to a property owner association, including any master or sub-association.

"Public Property" means any property within the boundaries of CFD No. 2006-1 that is (i) used for rights-of-way or any other purpose and is owned by or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency or (ii) encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement, provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

"Special Tax" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Special Tax Requirement.

"Special Tax Requirement" means that amount required in any Fiscal Year for CFD No. 2006-1 to: (i) pay debt service on all Outstanding Bonds; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay Administrative Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) pay directly for construction of CFD No. 2006-1 facilities eligible under the Act; and (vi) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less (vii) a credit for funds available to reduce the annual Special Tax levy, as determined by the Finance Director pursuant to the Indenture.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 2006-1 which are not exempt from the Special Tax pursuant to law or Section E below.

"Taxable Property Owner Association Property" means all Assessor's Parcels of Property Owner Association Property that are not exempt pursuant to Section E below.

"Taxable Public Property" means all Assessor's Parcels of Public Property that are not exempt pursuant to Section E below.

"Trustee" means the trustee or fiscal agent under the Indenture.

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

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, all Taxable Property within CFD No. 2006-1 shall be classified as Developed Property, Taxable Public Property, Taxable Property Owner Association

Property, or Undeveloped Property, and shall be subject to Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below.

C. MAXIMUM SPECIAL TAX RATE

1. Developed Property

a. Maximum Special Tax

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

b. Assigned Special Tax

The Fiscal Year 2006-2007 Assigned Special Tax is the greater of \$0.5481 per square foot of Developed Floor Area or \$5,481 per Acre.

c. Backup Special Tax

The Fiscal Year 2006-2007 Backup Special Tax shall equal \$7,149 per Acre.

d. Increase in the Assigned Special Tax and the Backup Special Tax

On each July 1, commencing July 1, 2007 the Assigned Special Tax and the Backup Special Tax shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

2. Undeveloped Property, Taxable Public Property, and Taxable Property Owner Association Property

a. Maximum Special Tax

The Maximum Special Tax for Undeveloped Property, Taxable Public Property, and Taxable Property Owner Association Property shall be \$7,149 per Acre for Fiscal Year 2006-2007.

b. Increases in the Maximum Special Tax

On each July 1, commencing July 1, 2007, the Maximum Special Tax for Undeveloped Property, Taxable Public Property, and Taxable Property Owner Association Property shall be increased by two percent (2%) of the amount in effect in the previous Fiscal Year.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2006-2007 and for each following Fiscal Year, the Council shall determine the Special Tax Requirement and shall levy the Special Tax until the amount

of Special Taxes equal the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

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

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied in equal percentages on each Assessor's Parcel of Taxable Public Property and Taxable Property Owner Association Property up to the Maximum Special Tax for Taxable Public Property or Taxable Property Owner Association Property.

E. EXEMPTIONS

No Special Tax shall be levied on up to 13.66 Acres of Public Property and Property Owner Association Property. Tax-exempt status will be irrevocably assigned by the Finance Director in the chronological order in which property becomes Public Property or Property Owner Association Property.

Public Property or Property Owner Association Property that is not exempt from Special Taxes under this section shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fourth step in Section D above, at up to 100% of the applicable Maximum Special Tax for Taxable Public Property or Taxable Property Owner Association Property.

F. REVIEW/APPEAL COMMITTEE

The Council shall establish as part of the proceedings and administration of CFD No. 2006-1 a special three-member Review/Appeal Committee. Any landowner or resident who feels that the amount of the Special Tax, as to their Assessor's Parcel, is in error, may file a notice with the Review/Appeal Committee appealing the amount of the Special Tax levied on such Assessor's Parcel. The Review/Appeal Committee shall interpret this Rate and Method of Apportionment and make determinations relative to the annual administration of the Special Tax and any landowner or resident appeals, as herein specified. The decision of the Review/Appeal Committee shall be final and binding as to all persons.

G. MANNER OF COLLECTION

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 2006-1 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

H. PREPAYMENT OF SPECIAL TAX

The following definition applies to this Section H:

"CFD Public Facilities" means either \$6.5 million in 2006 dollars, which shall increase by the Construction Inflation Index on July 1, 2007, and on each July 1 thereafter, or such lower number as (i) shall be determined by the Finance Director as sufficient to provide the public facilities to be provided by CFD No. 2006-1 under the authorized bonding program for CFD No. 2006-1, or (ii) shall be determined by the Council concurrently with a covenant that it will not issue any more Bonds to be supported by Special Taxes levied under this Rate and Method of Apportionment as described in Section D.

"Construction Fund" means an account specifically identified in the Indenture to hold funds which are currently available for expenditure to acquire or construct public facilities eligible under the Act.

"Construction Inflation Index" means the annual percentage change in the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the Finance Director that is reasonably comparable to the Engineering News-Record Building Cost Index for the City of Los Angeles.

"Future Facilities Costs" means the CFD Public Facilities minus (i) public facility costs previously paid from the Construction Fund, (ii) moneys currently on deposit in the Construction Fund, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance facilities costs.

"Outstanding Bonds" means all Bonds which are deemed to be outstanding under the Indenture after the first interest and/or principal payment date following the current Fiscal Year.

1. Prepayment in Full

The obligation of an Assessor's Parcel to pay the Special Tax may be prepaid and permanently satisfied as described herein; provided that a prepayment may be made only for Assessor's Parcels of Developed Property and Undeveloped Property for which a building permit has been issued, and only if at the time of prepayment, there are no delinquent Special Taxes with respect to such Assessor's Parcel and all other Assessor's Parcels which are under the same ownership and located in CFD No. 2006-1. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the Finance Director with written notice of intent to prepay. Within 30 days of receipt of such written notice, the Finance Director shall notify such owner of the prepayment

amount of such Assessor's Parcel. The Finance Director may charge a reasonable fee for providing this service. Prepayment must be made not less than 45 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

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

As of the proposed date of prepayment, the Prepayment Amount (defined below) shall be calculated as follows:

Paragraph No.:

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.
2. For Assessor's Parcels of Developed Property, compute the Assigned Special Tax and Backup Special Tax applicable for the Assessor's Parcel to be prepaid. For Assessor's Parcels of Undeveloped Property (for which a building permit has been issued) to be prepaid, compute the Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.
3. (a) Divide the Assigned Special Tax computed pursuant to paragraph 2 by the total estimated Assigned Special Taxes for the entire CFD No. 2006-1 based on the Developed Property Assigned Special Taxes which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 2006-1, excluding any Assessor's Parcels which have been prepaid, and

(b) Divide the Backup Special Tax, computed pursuant to paragraph 2 by the estimated Maximum Special Taxes from Developed Property at buildout of CFD No. 2006-1, excluding any Assessor's Parcels which have been prepaid.
4. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").
6. Compute the current Future Facilities Costs

7. Multiply the larger quotient computed pursuant to paragraph 3(a) or 3(b) by the amount determined pursuant to paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Amount").
8. 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 Bonds.
9. Determine the Special Taxes levied on the Assessor's Parcel in the current Fiscal Year which have not yet been paid.
10. Compute the amount the Finance Director reasonably expects to derive from the reinvestment of the Prepayment Amount less the Future Facilities Amount and the Administrative Fees and Expenses from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the prepayment.
11. Add the amounts computed pursuant to paragraphs 8 and 9 and subtract the amount computed pursuant to paragraph 10 (the "Defeasance Amount").
12. Verify the administrative fees and expenses of CFD No. 2006-1, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").
13. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding 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 reserve requirement.
14. If any capitalized interest for the Outstanding 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 larger quotient computed pursuant to paragraph 3(a) or 3(b) by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the "Capitalized Interest Credit").
15. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 7, 11 and 12, less the amounts computed pursuant to paragraphs 13 and 14 (the "Prepayment Amount").
16. From the Prepayment Amount, the amounts computed pursuant to paragraphs 4, 5, 11, 13 and 14 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to paragraph 7 shall be deposited into the construction fund. The amount computed pursuant to paragraph 12 shall be retained by CFD No. 2006-1.

The Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of 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 bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax levy as determined under paragraph 9 (above), the Finance Director shall remove the current Fiscal Year's Special Tax levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid, the Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of Special Taxes and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Assigned Special Taxes that may be levied on expected Taxable Property at buildout of CFD No. 2006-1 both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

2. Prepayment in Part

The Special Tax on an Assessor's Parcel of Developed Property or an Assessor's Parcel of Undeveloped Property for which a building permit has been issued may be partially prepaid. The amount of the prepayment shall be calculated as in Section H.1; except that a partial prepayment shall be calculated according to the following formula:

$$PP = (PE - A) \times F + A.$$

These terms have the following meaning:

PP = the partial prepayment
PE = the Prepayment Amount calculated according to Section H.1
F = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax.
A = the Administration Fees and Expenses from Section H.1.

The owner of any Assessor's Parcel who desires such prepayment shall notify the Finance Director of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The Finance Director shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax for an Assessor's Parcel within thirty (30) days of the request and may charge a reasonable fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the City shall (i) distribute the funds remitted to it according to Section H.1, and (ii) indicate in the records of CFD No. 2006-1 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (1.00 - F) of the remaining Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D.

I. TERM OF SPECIAL TAX

The Special Tax shall not be levied after Fiscal Year 2055-2056.

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APPENDIX C

City of Oceanside
Community Facilities District No. 2006-1
(Pacific Coast Business Park)
Fiscal Year 2025-2026 Administration Report



**SPECIAL TAX ROLL,
FISCAL YEAR 2025-2026**

Appendix C

City of Oceanside CFD No. 2006-1
FY 2025-2026 Special Tax Roll

APN	FY 2025-2026 SPECIAL TAX
161-512-34-00	\$42,525.48
161-512-35-00	\$34,917.12
161-512-40-00	\$55,315.40
161-512-48-00	\$2,569.72
161-512-49-00	\$2,767.22
161-512-50-00	\$2,767.22
161-512-51-00	\$2,794.14
161-512-52-00	\$3,028.24
161-512-53-00	\$3,028.24
161-512-54-00	\$10,134.64
161-512-55-00	\$10,134.64
161-512-56-00	\$15,132.02
161-512-57-00	\$13,043.94
161-512-58-00	\$12,153.30
161-512-59-00	\$9,927.46
161-512-60-00	\$12,086.02
161-512-61-00	\$10,363.90
161-512-62-00	\$23,296.02
161-512-64-00	\$67,044.62
161-512-65-00	\$44,972.48
161-512-66-00	\$20,723.50
161-512-67-00	\$207,727.22
161-512-68-00	\$25,535.74
Total Number of Parcels Taxed	23
Total FY 2025-2026 Special Tax	\$631,988.28



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