

**CHULA VISTA ELEMENTARY SCHOOL DISTRICT
COMMUNITY FACILITIES DISTRICT NO. 1**

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

The Resolution of Intention refers to this Exhibit for an explanation of the rate and apportionment of the special tax so as to allow each landowner or resident within the proposed district to estimate the annual amount that would be required for payment. For particulars as to the rate and method of apportionment, see the following:

BASE TAX

The base tax for fiscal year 1986-87 is \$120.00, and said base tax shall be annually adjusted to reflect changes in the Building Cost Index, not less than 2%. Once property is subject to a final building permit and is within the Category I tax rate, said property and tax rate shall only be subject to escalation not to exceed 2% per year.

TAX RATES

Tax rates shall be based upon and not exceed the annual base tax adjusted by the tax factor for each tax category as set forth below as determined on June 30th of each year. All taxable property shall be subject to a single rate of special tax levied in the following order of priority.

TAX CATEGORIES AND TAX FACTORS

CATEGORY I. FINAL LAND USE RATE: The maximum annual special tax for taxable property in one of the following tax categories shall be levied and applicable upon the issuance of a building permit for such property, and shall be paid for a period not to exceed 25 years or until all bonds have been discharged, whichever is earlier.

<u>RESIDENTIAL [Developed Square Foot]</u>	<u>FACTOR (% of Base Tax)</u>
400 - 950	55%
951 - 1,100	80%
1,101 - 1,350	95%
1,351 - 1,500	110%
1,501 - 1,650	125%
1,651 - 2,000	150%
2,001+	180%

COMMERCIAL [Developed Square Foot]

Per square foot of developed space .15%

INDUSTRIAL

Per acre of land 500%

CATEGORY II. APPROVED LAND USE RATE: The maximum annual special tax for all taxable property in the following category shall be levied and applicable at the time of approval of any final subdivision tract and/or parcel map, and said tax shall be levied as long as needed to pay for facilities and/or pay debt service on bonds.

ALL LAND

BASE TAX

Per acre or pro-rata
portion thereof 250%

CATEGORY III. ACREAGE RATE: To the extent that the special tax revenues collected from Category I and Category II are insufficient to meet the annual payment for debt service on the bonds, all other taxable property not subject to one of the above taxing categories shall be subject to a tax rate not to exceed \$1,000 per acre, or pro-rata portion thereof.

DEFINITIONS

"Developed square foot" shall be the square footage of the development as set forth in any building plan for which a building permit has been issued.

"Commercial" shall include all retail and office use.

"Industrial" shall include all properties not within a residential or commercial use, which properties are subject to tax under these proceedings.

"Acre or parcel" shall be the area of the lots or parcels as shown on any final approved subdivision and/or parcel map, or if not subject to any final approved subdivision and/or parcel map, shall be the acreage as shown on the last County Assessor's maps for each year any tax is to be levied.

The "Building Cost Index" shall be the Building Cost Index for the City of Los Angeles adjusted annually based upon the last available data as of June 30th of each year, as set forth in the ENGINEERING NEWS-RECORD (ENR), McGraw-Hill Construction Weekly.