

OAKLAND CITY CLERK
OFFICE OF THE CLERK
2007 JUN 19 3:17

Approved as to Form and Legality

F. Faiz

Oakland City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION No. 80642 C.M.S.

A RESOLUTION OF INTENTION OF THE CITY OF OAKLAND TO ESTABLISH COMMUNITY FACILITIES DISTRICT NO. 2007-1, IN THE WOOD STREET PROJECT AREA GENERALLY BOUNDED BY 10TH STREET, WOOD STREET, WEST GRAND AVENUE AND FRONTAGE ROAD, INTERSTATE-880, LEVY A SPECIAL TAX TO FINANCE CERTAIN PUBLIC SERVICES AND APPROVING A PROPOSED BOUNDARY MAP FOR COMMUNITY FACILITIES DISTRICT NO. 2007-1

WHEREAS, on May 17, 2005, the City of Oakland City Council adopted Resolution No. 79249 C.M.S., resolving all appeals and approving Vesting Tentative Parcel Maps 8551, 8552, 8553, 8554, and 8555 (“VTPMs”) within the Wood Street Zoning District; where the VTMPs showed the creation of five small parks (“**Pocket Parks**”) and a plaza (“**16th Street Plaza**”) as part of the development project; and whereby Conditions of Approval 33 and 84, together, required the Project Sponsors, as defined in Resolution No. 79429 C.M.S., to enter into an agreement with the City to secure the long-term maintenance of the Pocket Parks and the 16th Street Plaza, if the latter is offered for dedication to and accepted by the City, and that the maintenance services that the City will provide (“**Services**”) are set forth in Exhibit A to this Resolution; and

WHEREAS, in order to finance the cost of the Services, the City proposes to establish a community facilities district in accordance with the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 *et seq.*) (“**Act**”); and

WHEREAS, pursuant to the Act, the City adopted local goals establishing policies and appraisal standards for the formation and use of community facilities districts (“**Goals and Policies**”) by Resolution No. _____ C.M.S. on June 19, 2007; and

WHEREAS, the proposed community facilities district shall be known as “Community Facilities District No. 2007-1 (Wood Street Development District), City of Oakland, County of Alameda” (“**CFD No. 2007-1**” or “**District**”); and

WHEREAS, the Services and other incidental expenses that are proposed to be financed by CFD No. 2007-1 are set forth on Exhibit A attached hereto; and

WHEREAS, except where funds are otherwise available, the City shall levy an annual special tax sufficient to pay for the Services, secured by recordation of a continuing lien against all nonexempt real property within CFD No. 2007-1 ("**Special Tax**"); and

WHEREAS, the proposed rate and method of apportionment of the Special Tax among parcels of real property within CFD No. 2007-1, in sufficient detail to allow each parcel owner within the proposed CFD No. 2007-1 to estimate the maximum amount each such owner will have to pay, is set forth in Exhibit B attached to this Resolution and incorporated herein by reference; and

WHEREAS, the City desires to proceed with the actions necessary to consider the establishment of CFD No. 2007-1; and

WHEREAS, the proposed boundaries of CFD No. 2007-1 include the land within the VTPMs and are shown on the boundary map entitled "Proposed Boundary Map, Community Facilities District No. 2007-1 (Wood Street)" ("**Boundary Map**") attached hereto as Exhibit C; and

WHEREAS, the Developers and other property owners within CFD No. 2007-1, representing 100% of the qualified electors within CFD No. 2007-1, have filed with the City Clerk a Waiver and Consent with Respect to Conduct of Public Hearings and Mail Ballot Election for Landowner Election for a Community Facilities District ("**Waiver and Consent**"), the form of which is attached as Exhibit D and hereby incorporated by reference, by which, among other things, the time limits and related requirements with respect to the formation of CFD No. 2007-1 and preparation and distribution of election materials are waived; now, therefore be it

RESOLVED: That the City hereby finds and determines that the foregoing recitals are true and correct; and be it

FURTHER RESOLVED: That the City Council hereby finds and determines that the formation of CFD No. 2007-1 is in compliance with the Goals and Policies; and be it

FURTHER RESOLVED: That the City Council hereby finds and determines that Services will be of benefit to the City; and be it

FURTHER RESOLVED: That the City Council hereby approves the Boundary Map (Exhibit C) and adopts the boundaries shown thereon as describing the extent of the territory to be included in a proposed community facilities district to be known as Community Facilities District No. 2007-1 (Wood Street Development District), City of Oakland, County of Alameda, and finds that the Boundary Map is in the form and contains the matters prescribed by Section 3110 of the Streets and Highways Code; and be it

FURTHER RESOLVED: That the City Clerk is hereby directed to certify the adoption of this resolution on the face of the Boundary Map, and to file a copy with the County Recorder in the book of maps of assessment and community facilities districts no later than fifteen (15) days after the adoption of this resolution; and be it

FURTHER RESOLVED: That the City Council hereby adopts the levy of the Special Tax and the rate and method of apportionment set forth in Exhibit B and upon recordation of a notice of special tax lien pursuant to Section 3224.5 of the Streets and Highways Code, a continuing lien to secure each levy of the Special Tax shall attach to all nonexempt real property within CFD No. 2007-1; that pursuant to Section 53340 of the Act, the Special Tax will be collected in the same manner as ordinary ad valorem property taxes or, by any other method or time that the City determines to be in its best interests, including, but not limited to, direct billing of the parcel owners and supplemental billing; and be it

FURTHER RESOLVED: That the levy of said proposed special tax shall be subject to the approval of the qualified electors of the CFD No. 2007-1 at a special election; that the proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in the proposed CFD No. 2007-1, with each owner having one vote for each gross acre or portion of an acre of land such owner owns in CFD No. 2007-1; and be it

FURTHER RESOLVED: That except as may otherwise be provided by law or the rate and method of apportionment of the special tax for CFD No. 2007-1, all lands owned by any public entity, including the United States, the State of California, the City and/or any departments or political subdivisions of any thereof, shall be omitted from the levy of the special tax to be made to cover the costs and expenses of the Services and any expenses of CFD No. 2007-1; and be it

FURTHER RESOLVED: That no bonds are anticipated to be issued in these proceedings; and be it

FURTHER RESOLVED: That the City Engineer, in conjunction with a qualified consultant, has prepared the report required by Section 53321.5 of the Act, and it will be considered as part of the public hearing on the formation of CFD No. 2007-1, following the adoption of this Resolution; and be it

FURTHER RESOLVED: That the services to be financed include the Services and other incidental expenses that are set forth on Exhibit A attached hereto; and be it

FURTHER RESOLVED: That the Council hereby approves the form of the Waiver and Consent and finds that the rights, procedures, and time periods therein waived are solely for the protection of the voters, may be waived under Government Code Section 53326(a), and that the waiver constitutes a full and knowing waiver, by any voter who has executed the form, of those rights, procedures and time periods. Pursuant to the Waiver and Consent, the City Council hereby sets a public hearing to be

held on September 18, 2007 at 7:00 p.m., or as soon thereafter so the item may be heard, in the Council Chambers, One Frank Ogawa Plaza, Oakland, California as the time and place for the public hearing on the formation of CFD No. 2007-1.

FURTHER RESOLVED: The City Council, as legislative body for the CFD No. 2007-1, will conduct a public hearing on the establishment of CFD No. 2007-1 and consider and finally determine whether the public interest, convenience and necessity require the formation of CFD No. 2007-1 and the levy of the Special Tax; that at the hearing, testimony concerning the district, the extent of the district or the furnishing of the particular types of public services will be heard and protests will be considered from registered voters residing within CFD No. 2007-1 and persons owning real property within CFD No. 2007-1; written protests by a majority of the registered voters (if at least six such voters protest), or by the owners of a majority of the land which would be subject to special taxation within the proposed CFD No. 2007-1 will require the suspension of proceedings for at least one year; written protests must be filed with the City Clerk at or before the time fixed for the hearing, and that such protests are directed only against certain elements of the proposed services or proposed special tax, and if such protests constitute a majority protest, only those elements shall be deleted from the proceedings; and be it

FURTHER RESOLVED: That this Resolution shall take effect upon its adoption.

IN COUNCIL, OAKLAND, CALIFORNIA, JUN 19 2007, 2007

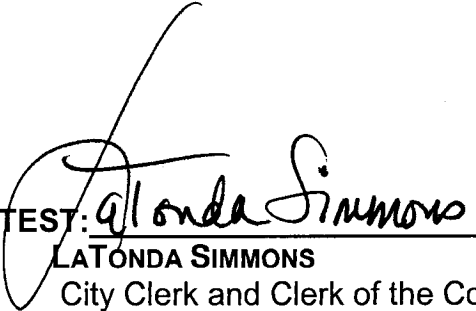
PASSED BY THE FOLLOWING VOTE:

AYES--- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID and
PRESIDENT DE LA FUENTE - 8

NOES--- 0

ABSENT--- 0

ABSTENTION--- 0

ATTEST: 
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

CITY OF OAKLAND
Community Facilities District No. 2007-1
(Wood Street Development District)

COMMUNITY FACILITIES DISTRICT REPORT

CONTENTS

- Introduction
- A. Description of Services
- B. Rate and Method of Apportionment of Special Taxes
- C. Proposed Boundaries of the Community Facilities District
- D. Form of Waiver and Consent

- EXHIBIT A - Description of Services
- EXHIBIT B - Rate and Method of Apportionment of Special Taxes
- EXHIBIT C - Proposed Boundaries of the Community Facilities District
- EXHIBIT D – Form of Waiver and Consent

FILED
OFFICE OF THE CITY CLERK
OAKLAND
2007 AUG 23 AM 11:31

CITY OF OAKLAND
Community Facilities District No. 2007-1
(Wood Street Development District)

INTRODUCTION

WHEREAS, on _____, 2007 this Council adopted a resolution entitled "Resolution of Intention of the City of Oakland to Establish Community Facilities District No. 2007-1" (the "Resolution of Intention"), stating its intention to form "Community Facilities District No. 2007-1 (Wood Street Development District)" (the "CFD") of the City of Oakland (the "City") pursuant to the Mello-Roos Community Facilities Act of 1982, (the "Act"). In the Resolution of Intention, the Oakland City Council expressly ordered the preparation of a written Community Facilities District Report (the "Report"), for the proposed CFD.

The Resolution of Intention ordering the Report did direct that the Report generally contain the following:

1. A brief description of the Services; and
2. An estimate of the fair and reasonable cost of providing the Services including capital and operating reserves, administration costs, incidental expenses in connection therewith and all other related costs.

For particulars, reference is made to the Resolution of Intention for the CFD, as previously approved and adopted by the Oakland City Council.

NOW, THEREFORE, I, the City's City Administrator or designee, do hereby submit the following data:

A. **DESCRIPTION OF SERVICES.** A brief description of the proposed Services are as shown in Exhibit "A" attached hereto and by this reference made a part hereof.

B. **RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES.** The rate and method of apportionment of special taxes for the CFD is set forth in Exhibit "D" attached hereto and by this reference made a part hereof.

C. **PROPOSED BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT.** The proposed boundaries of the CFD are those properties and parcels on which special taxes may be levied to pay for the costs and expenses of the Services and of the administration of the CFD. The proposed boundaries of the CFD are set forth in Exhibit "B" attached hereto and by this reference made a part hereof.

D. **FORM OF WAIVER AND CONSENT.**

Dated as of _____, 2007

By: _____
City Administrator
City of Oakland

EXHIBIT A

**CITY OF OAKLAND
Community Facilities District No. 2007-1
(Wood Street Development District)**

**PUBLIC SERVICES TO BE PROVIDED BY
COMMUNITY FACILITIES DISTRICT NO. 2007-1
(WOOD STREET DEVELOPMENT DISTRICT)**

DESCRIPTION OF THE PROPOSED SERVICES

The development project approved by City of Oakland City Council Resolution No. 79249 C.M.S. for the Wood Street Zoning District includes the construction of five public access areas, also referred to as “pocket parks,” each to be dedicated to the City for public park purposes (“**Pocket Parks**”). It also includes the construction of a plaza on the property included within Vesting Tentative Parcel Map 8554 (“**16th Street Plaza**”), which may be offered to the City for dedication as a public plaza. Upon acceptance of the offer of dedication of any of the Pocket Parks or the 16th Street Plaza, the City shall take on the obligation for long-term maintenance of the facility. The Services to be funded by the Special Tax include, but are not limited to:

- (1) Operation, maintenance, replacement or rehabilitation of the Pocket Parks and 16th Street Plaza, if offered for dedication to and accepted by the City;
- (2) Salaries, benefits and other related personnel costs for maintenance workers and other personnel providing operation and maintenance services for the Pocket Parks and 16th Street Plaza, if offered for dedication to and accepted by the City;
- (3) Office, maintenance and other supplies needed to operate and maintain the Pocket Parks and 16th Street Plaza, if offered for dedication to and accepted by the City;
- (4) Vehicles, machinery and other related equipment needed to operate and maintain the Pocket Parks and 16th Street Plaza, if offered for dedication to and accepted by the City;
- (5) Inspection services, regulatory fees and charges for the Pocket Parks and 16th Street Plaza, if offered for dedication to and accepted by the City;
- (6) A pro rata share of the City’s costs of insurance related to ownership and maintenance of the Pocket Parks and 16th Street Plaza, if offered for dedication and accepted by the City;
- (7) Energy and Utility costs which can include electricity, gasoline, natural gas, water, etc. for the Pocket Parks and 16th Street Plaza, if offered for dedication to and accepted by the City; and
- (8) Any other related services associated with the Pocket Parks and 16th Street Plaza, if offered for dedication to and accepted by the City.

Administrative Expenses:

Administrative expenses that may be financed by CFD No. 2007-1 (the “CFD”) are direct and indirect expenses incurred by the CFD or the City in connection with the establishment and administration of the CFD (including, but not limited to, the levy and collection of the special taxes) including the fees and expenses of attorneys, any fees of the City related to the CFD or the collection of special taxes, an allocable share of the salaries of City staff directly related thereto and a proportionate amount of the City’s general administrative overhead related thereto, any amounts paid by the City from its general funds with respect to the CFD or the Services authorized to be financed by the CFD, and all other costs and expenses of the City reasonably related to the CFD..

Other:

The incidental expenses that may be financed by the CFD include, but are not limited to the following:

- (1) All costs associated with the establishment and administration of the CFD, the determination of the amount of and collection of taxes, the payment of taxes, and costs otherwise incurred in order to carry out the authorized purposes of the CFD;
- (2) Any other expenses incidental to the provision of the Services eligible to be funded by the CFD; and
- (3) Any amounts necessary to maintain a reserve reasonably required by the City for the payment of the costs of the Services.

EXHIBIT B

CITY OF OAKLAND Community Facilities District No. 2007-1 (Wood Street Development District)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES

A Special Tax shall be levied on all Taxable Parcels within Community Facilities District No. 2007-1 (Wood Street Development District) (the “CFD”), and collected according to the Rate and Method of Apportionment of Special Taxes described herein.

All Annual Special Tax Requirements shall be collected by the Alameda County Auditor-Controller Agency by means of inclusion on the annual ad-valorem property tax billings or in such other manner (including by means of direct billing of the affected Property Owners) as the City Council or its designee shall determine.

DEFINITIONS

Annual Administrative Cost: Means any direct and indirect expenses incurred by the CFD or the City in connection with the establishment and administration of the CFD (including, but not limited to, the levy and collection of the special taxes) including the fees and expenses of attorneys, any fees of the City related to the CFD or the collection of special taxes, an allocable share of the salaries of City staff directly related thereto and a proportionate amount of the City’s general administrative overhead related thereto, and any amounts paid by the City from its general funds with respect to the CFD or the Services authorized to be financed by the CFD, and all other costs and expenses of the City reasonably related to the CFD.

Annual Special Tax Requirement: Means the amount necessary in any Fiscal Year (i) to pay for the Services which commences in such Fiscal Year, (ii) to create or replenish the Capital Reserve, (iii) to create or replenish the Operating Reserve, and (iv) to pay Annual Administrative Costs of the CFD. The Annual Special Tax Requirement for a particular Fiscal Year shall be based on a Reasonable Estimate prepared for that Fiscal Year by the City. The Annual Special Tax Requirement shall be based upon the actual number of pocket parks and plazas built and accepted by the City or specifically scheduled to be accepted in the coming Fiscal Year. In the event that any of the Pocket Parks or the 16th Street Plaza are: (a) not built; or (b) once built, offered for dedication and accepted by the City, are no longer used as public parks or a public plaza, respectively, then the amount of the Annual Special Tax Requirement shall decrease by the lesser of the following: (a) a percentage equal to the percentage of total Operation & Maintenance Costs attributable to the unbuilt or converted Pocket Park or to 16th Street Plaza per Exhibit C hereto; or (b) the City’s actual reduction in costs of providing the Services resulting from the nonexistence or conversion of the Pocket Park or the 16th Street Plaza, provided the documented accounting for the last full Fiscal Year prior to conversion of

the Pocket Park or 16th Street Plaza (prepared in connection with its Reasonable Estimate) reasonably supports such actual reduction in cost.

Approved Units: Means the lesser of (a) the maximum number of residential units which have been approved by the City to be developed on any Assessor Parcel per the applicable Vesting Tentative Parcel Map and the Wood Street Zoning District, or (b) for any Assessor Parcel on which the maximum number of residential units permitted by the applicable Vesting Tentative Parcel Map and the Wood Street Zoning District has been constructed and for which residential Certificates of Occupancy have been issued, the number of such completed residential units; provided, however, for any Assessor Parcel that is developed in phases and therefore contains residential units that have been constructed and have received Certificates of Occupancy as well as the potential for construction of additional residential units pursuant to the applicable Vesting Tentative Map and the Wood Street Zoning District, Approved Units shall mean the sum total of: (1) the number of constructed residential units for which Certificates of Occupancy have been issued, and (2) the number of residential units that may be constructed on the remaining vacant land pursuant to the applicable Vesting Tentative Map and the Wood Street Zoning District. In the event the number of residential units that may be constructed on an Assessor Parcel is modified by the City per a subsequently approved tentative map or tentative parcel map, the maximum number of permitted residential units pursuant to such vesting tentative parcel map may be used to calculate the maximum number of residential units which have been approved for purposes of subsection (a) of this definition. Notwithstanding any provision to the contrary, the number of Approved Units for Assessor Parcel No. 006 -0029-005-00 shall not exceed seventy (70) so long as such parcel remains deed restricted to provide at least seventy (70) below-market rate residential units. Also notwithstanding any provision to the contrary, residential units on Assessor Parcel Nos. 0000-310-010-00 and 0000-310-011-00 and an approximately 0.78-acre portion of Assessor Parcel No. 006 -0029-004-02, as described in more detail in Exhibit A to the Grant Deed recorded with the Alameda County Clerk-Recorder's Office at Series No. 2007-88145 (also identified and hereafter referred to as "Parcel 1 of VTPM 8551") that have been approved by a Vesting Tentative Parcel Map and the Wood Street Zoning District as of the date of formation of the CFD shall not become Approved Units until a Final Development Plan is approved by the City for such units.

Assessor Parcel: Means the Assessor Parcel referenced by the Assessor parcel number assigned by the Alameda County Assessor's office for each Taxable Parcel within the boundaries of the CFD.

Capital Reserve: Means the amount necessary to pay for the replacement of all capital facilities for which Services are funded by the CFD. In the first Fiscal Year in which the Special Taxes are levied within the CFD, the Capital Reserve amount to be collected shall equal 20% of the estimated maximum operation and maintenance costs expected within the CFD at build-out, increased each subsequent Fiscal Year based upon the prior year's change in the Engineering News Record (ENR) – Construction Cost Index, as calculated from June of the preceding Fiscal Year. For the first five Fiscal Years in which the Special Tax is levied, the Annual Special Tax Requirement shall include a Capital Reserve collection amount equal to 20% of the estimated maximum operation and maintenance costs expected within the CFD at build-out. Thereafter, only amounts necessary to replenish the Capital Reserve shall be included in the Annual Special Tax Requirement.

City: Means the City of Oakland.

City Council: Means the City Council of the City, in its capacity, as legislative body of the CFD.

CFD: Means the City of Oakland Community Facilities District No. 2007-1 (Wood Street Development District).

Exempt Parcels: Means all parcels: (1) owned or proposed to be owned by the State, Federal or other governmental entity, including, but not limited to, any parcel or portion thereof dedicated to or proposed to be dedicated to a public agency for right-of-way, open space, green belts, easements, etc.; (2) used for hotel and motel units, including Assessor Parcel Nos. 000O-0310-010-00 and 000O-0310-011-00; and (3) Parcel 1 of VTPM 8551. However, in the event Assessor Parcel Nos. 000O-310-010-00, 000O-0310-011-00, or Parcel 1 of VTPM 8551 is proposed for development pursuant to a final development plan for future residential units (excluding hotel and motel units) or is proposed to be developed in conjunction with a final development plan for adjacent property, such parcels shall become Taxable Parcels subject to the Special Tax with the Approved Units for such parcels to be used in calculating the Special Tax.

Fiscal Year: Means the period starting on July 1 and ending the following June 30.

Maximum Annual Special Tax per Approved Unit: Means \$150 per Approved Unit in FY 2007-08 dollars. The Maximum Annual Special Tax per Approved Unit will be increased each subsequent Fiscal Year based upon the prior year's change in the Engineering News Record (ENR) – Construction Cost Index. The commencing month for calculating the annual increase in the Maximum Annual Special Tax per Approved Unit will be June 2007.

Operating Reserve: Means those funds reasonably estimated to be necessary to pay for 1) the operation and maintenance of a Pocket Park or the 16th Street Plaza between the time that the facility is accepted by the City and when the City begins to receive Special Tax revenue to fund such operation and maintenance; 2) the maintenance of a Pocket Park or the 16th Street Plaza between the time that the City starts to maintain the facilities in July of each year and the time the City receives Special Tax revenue from the County each year in December; and 3) delinquencies in the payment of the Special Tax. The Operating Reserve has been initially funded by Property Owners prior to the formation of the CFD through a separate Park and Plaza Maintenance Agreement with the City. The Operating Reserve funding obligation is thus initially complete as of the time of formation of the CFD.

Property Owner: The Property Owner as shown on the records in the Alameda County Assessor's office for a Taxable Parcel, or if more accurate and updated information is known then that information would supersede the records in the Alameda County Assessor's office.

Reasonable Estimate: Means an estimate prepared by City staff and based on a documented accounting of costs and expenses for the previous Fiscal Year attributable to each of the different Services enumerated in Exhibit A hereto, to Collection Contingencies, and to Administrative Costs. The Reasonable Estimate for a particular Fiscal Year as well as the

documented accounting for the previous Fiscal Year upon which such Reasonable Estimate is based shall be maintained for a period of five (5) years following preparation of the Reasonable Estimate and shall be available for review by any Property Owner subject to the Special Tax at the Property Owner's expense. In the event the City and Property Owner identify errors in documented accountings for prior Fiscal Years, Reasonable Estimates shall be subject to adjustment by the City to ensure such errors are not carried forward into the Special Tax levy for future Fiscal Years.

Special Tax: The annual amount of tax each Taxable Parcel pays based upon the Rate and Method of Apportionment of Special Taxes.

Taxable Parcel: Means an Assessor Parcel within the boundaries of the CFD that has Approved Units allocated to it by the City and is not Classified as an Exempt Parcel.

Vesting Tentative Parcel Map: Means Vesting Tentative Parcel Maps 8551, 8552, 8553, 8554, and 8555, as approved by the City of Oakland City Council in Resolution No. 79249 C.M.S.

Wood Street Zoning District: Means the zoning regulations, including development densities and numbers of residential units for the Vesting Tentative Parcel Maps, approved by the City of Oakland City Council pursuant to Ordinance No. 12673 C.M.S., including but not limited to Table 5.10-1 thereof.

ASSIGNMENT OF SPECIAL TAXES

The Special Taxes shall be assigned to all Taxable Parcels based upon the Calculation of Special Taxes described below.

CALCULATION OF SPECIAL TAXES

- 1) Each year on July 1 determine the Annual Special Tax Requirement for the current Fiscal Year.
- 2) Each Year on July 1 determine total number of Approved Units located within the boundaries of the CFD.
- 3) Each Year on July 1 allocate the number of Approved Units located within the boundaries of the CFD to all Taxable Parcels within the boundaries of the CFD. No Approved Units should be allocated to an Exempt Parcel.
- 4) Each year on July 1 prorate the Annual Special Tax Requirement identified in Step No. 1 above to each Taxable Parcel within the boundaries of the CFD based on their pro-rata share of Approved Units.
- 5) Each year on July 1 prorate as a credit against the Annual Special Tax Requirement the amount of all proceeds received by the CFD during the prior Fiscal Year from

- 6) foreclosure or other actions to cure delinquencies (including any penalties and interest recovered) among those Taxable Parcels with no then currently outstanding delinquencies in the payment of the Special Tax and based on the pro-rata share of Approved Units among such Taxable Parcels.

The Annual Special Tax Requirement for each Taxable Parcel may not exceed the Maximum Annual Special Tax per Approved Unit and under no circumstances will the Annual Special Tax Requirement or the Special Tax levied against any Taxable Parcel be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Taxable Parcel within the boundaries of the CFD.

COLLECTION OF DELIQUENT TAXES

The City will use its existing practice for delinquent taxes and assessments to attempt to recover unpaid Special Taxes, including but not limited to reliance upon the Alameda County Auditor-Controller Agency and its standard procedures for the collection of delinquent taxes and assessments.

SAMPLE CALCULATION OF SPECIAL TAXES

Assumes that the Annual Special Tax Requirement needed for Fiscal Year 2009-10 is \$100,000 as shown in Table No. 1 below and assumes that Assessor Parcel Nos. 000O-0310-010-00 and 000O-0310-011-00 and Parcel 1 of VTPM 8551 have not received City approval of a final development plan for future residential units respectively and therefore are Exempt Parcels. The calculation of the Annual Special Tax Requirement shall be based upon the actual number of parks and plazas built and accepted by the City and still requiring maintenance as set forth under Annual Special Tax Requirement.

**Table No. 1
Community Facilities District No. 2007-1
(Wood Street)
Estimated Services Costs (FY 2009-10)**

Operation & Maintenance Costs

10th Street Pocket Park	\$7,500
14th Street Pocket Park	\$25,200
16th Street Pocket Park	\$9,400
18th Street Pocket Park	\$10,500
20th Street Pocket Park	\$7,500
16th Street Plaza	<u>\$1,020</u>
Subtotal	\$61,120

Operating Reserve ¹	\$0
Capital Reserve	<u>\$26,880</u>
Subtotal	\$26,880

Administrative Costs

County Administration	\$3,000
City Admin. (Includes Consultants)	<u>\$9,000</u>
Subtotal	\$12,000

Total	\$100,000
--------------	------------------

¹ Assume that the last of the Pocket Parks and the 16th Street Plaza were constructed, offered for dedication, and accepted by the City during the first half of calendar year 2009. The amount needed for the FY 2009-10 operating reserves is equal to 50% of the estimated operation and maintenance costs for FY 2009-10, or \$30,560. Therefore \$30,560 will be transferred from the funds available pursuant to the Park and Plaza Maintenance Agreement (agreement between the CFD Property Owners and the City) to the CFD fund. These funds will allow the City to fund the operation and maintenance costs from July 1, 2009 through December 31, 2009. Because all Pocket Parks and the 16th Street Plaza are assumed to have been completed, the unexpended balance of the funds made available pursuant to the Agreement will be returned to the CFD Property Owners who are parties to the Agreement. In December 2009 the City would receive the Special Tax revenue from the County of Alameda to fund the operation and maintenance Services for FY 2009-10. In future years the amount advanced for the Operating Reserve will be carried over to the next Fiscal Year and used to reduce the amount needed for the Operating Reserve in that Fiscal Year.

- 1) Calculate the number of Approved Units within the boundaries of the CFD as shown in Table No. 2 below:

Table No. 2

Listing of Vesting Tentative Maps within the District
& Corresponding Number of Approved Units

Vesting Tentative Parcel Map No.	Approved Number of Residential Units
8551	260
8552	189
8553 ²	404
8554	249
8555	<u>421</u>
	1,523

² Assessor Parcel Nos. 0000-0310-010-00 and 0000-0310-011-00 located within VTM No. 8553 are currently developed as hotel/motel units. Parcel 1 of VTM 8551 is not currently proposed for development. There are an additional 12 Approved Units allocated to these parcels not included in the above table. Assessor Parcel Nos. 0000-0310-010-00 and 0000-0310-011-00 and Parcel 1 of VTM 8551 are currently classified as Exempt Parcels and therefore shall not pay a Special Tax. In the event such parcels seek approval by the City of a final development plan for future residential units (excluding hotel and motel units), such parcels shall become Taxable Parcels subject to the Special Tax. Future residential units within such parcels (excluding hotel and motel units) shall be considered Approved Units upon approval of the final development plan approving such units. Additionally, as noted in the definition of "Approved Unit," no more than 70 of the units authorized for Assessor Parcel No. 006 -0029-005-00 shall be treated as Approved Units, so long as such parcel remains deed restricted to provide at least 70 below-market rate residential units.

2) Allocate the number of Approved Units to the Taxable Parcels within the boundaries of the CFD as shown in Table No. 3 below.

Table No. 3

Listing of Taxable Parcels within the District
& Corresponding Number of Approved Units

Taxable Parcel	Number of Approved Units
0000-0310-003-08	50
0000-0310-003-09	188
0000-0310-003-10	10
0000-0310-003-11	3
0000-0310-007-07	20
0000-0310-010-00	0
0000-0310-011-00	0
0000-0310-012-00	404
0000-0310-013-00	249
0000-0310-014-00	150
006 -0029-001-04	130
006 -0029-002-01	189
006 -0029-004-02	60
006 -0029-005-00	<u>70</u>
Total	1,523

- 3) Prorate the Annual Special Tax Requirement for Fiscal Year 2009-10 to the Taxable Parcels shown above in Table No. 3 based upon their number of Approved Units as shown in Table 4 below.

Table No. 4

Listing of Taxable Parcels within the District
& Corresponding Special Tax Allocation

Taxable Parcel	Number of Approved Units	FY 2007-08 Special Tax Allocation	FY 2007-08 Special Tax per Unit
0000-0310-003-08	50	\$3,282.99	\$65.66
0000-0310-003-09	188	\$12,344.06	\$65.66
0000-0310-003-10	10	\$656.60	\$65.66
0000-0310-003-11	3	\$196.98	\$65.66
0000-0310-007-07	20	\$1,313.20	\$65.66
0000-0310-010-00	0	\$0.00	\$0.00
0000-0310-011-00	0	\$0.00	\$0.00
0000-0310-012-00	404	\$26,526.59	\$65.66
0000-0310-013-00	249	\$16,349.31	\$65.66
0000-0310-014-00	150	\$9,848.98	\$65.66
006 -0029-001-04	130	\$8,535.78	\$65.66
006 -0029-002-01	189	\$12,409.72	\$65.66
006 -0029-004-02	60	\$3,939.59	\$65.66
006 -0029-005-00	<u>70</u>	<u>\$4,596.19</u>	\$65.66
	1,523	\$100,000.00	

COLLECTION OF THE ANNUAL SPECIAL TAX

Each year, the City shall coordinate with the Alameda County Auditor-Controller Agency to have the Special Tax for each applicable Taxable Parcel placed on the property tax roll, or shall effect a direct billing of the Special Tax to the Property Owners of the Taxable Parcel.

TERM OF SPECIAL TAX

The Special Tax shall be levied in perpetuity or until the Oakland City Council directs otherwise, provided, however, that a) the Special Tax is required to be reduced in accordance with the provision set forth in the definition of Annual Special Tax Requirement at such point as any Pocket Park and/or 16th Street Plaza becomes part of a public street or for any other reason no longer requires park or plaza maintenance by the City; and b) the Special Tax would be deemed to automatically expire at such point as all Pocket Parks and 16th Street Plaza were to become part of a public street or for any other reason no longer required park or plaza maintenance by the City.

PROPERTY OWNER APPEALS OF SPECIAL TAX LEVIES

Any Property Owner claiming that the amount or application of the Special Tax is not correct and requesting a refund may file a written notice of appeal and refund to that effect with the City Administrator not later than one calendar year after having paid the Special Tax that is disputed. The City Administrator shall promptly review the appeal, and if necessary, meet with the Property Owner, consider written and oral evidence regarding the amount of the Special Tax, and decide the appeal. If the City Administrator's decision requires that the Special Tax be modified or changed in favor of the Property Owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the next Special Tax levy. Any dispute over the decision of the City Administrator shall be referred to the City Council and the decision of the City Council shall be final. This procedure shall be exclusive and its exhaustion by any Property Owner shall be a condition precedent to any legal action by such owner.

EXHIBIT C

CITY OF OAKLAND
Community Facilities District No. 2007-1
(Wood Street Development District)

PROPOSED BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT

The proposed boundaries of the CFD are set forth on the map entitled "Proposed Boundaries of Community Facilities District No. 2007-1 (Wood Street Development District) as shown in this Report on the following page.

PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2007-1 (WOOD STREET)

CITY OF OAKLAND
COUNTY OF ALAMEDA, STATE OF CALIFORNIA

Reference Number	Assessor Parcel Number
1	0000-0310-003-08
2	0000-0310-003-09
3	0000-0310-003-10
4	0000-0310-003-11
5	0000-0310-007-07
6	0000-0310-010-00
7	0000-0310-011-00
8	0000-0310-012-00
9	0000-0310-013-00
10	0000-0310-014-00
11	006 -0029-001-04
12	006 -0029-002-01
13	006 -0029-004-02
14	006 -0029-005-00



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF OAKLAND THIS 31st DAY OF MAY, 2007.

[Signature]
CITY CLERK
CITY OF OAKLAND
ALAMEDA COUNTY
STATE OF CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2007-1 (WOOD STREET), CITY OF OAKLAND, COUNTY OF ALAMEDA, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF OAKLAND, AT A REGULAR MEETING THEREOF, HELD ON THE 14th DAY OF JUNE, 2007, BY ITS RESOLUTION NO. 90642

[Signature]
CITY CLERK
CITY OF OAKLAND
ALAMEDA COUNTY
STATE OF CALIFORNIA

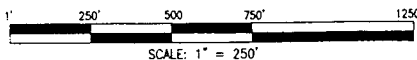
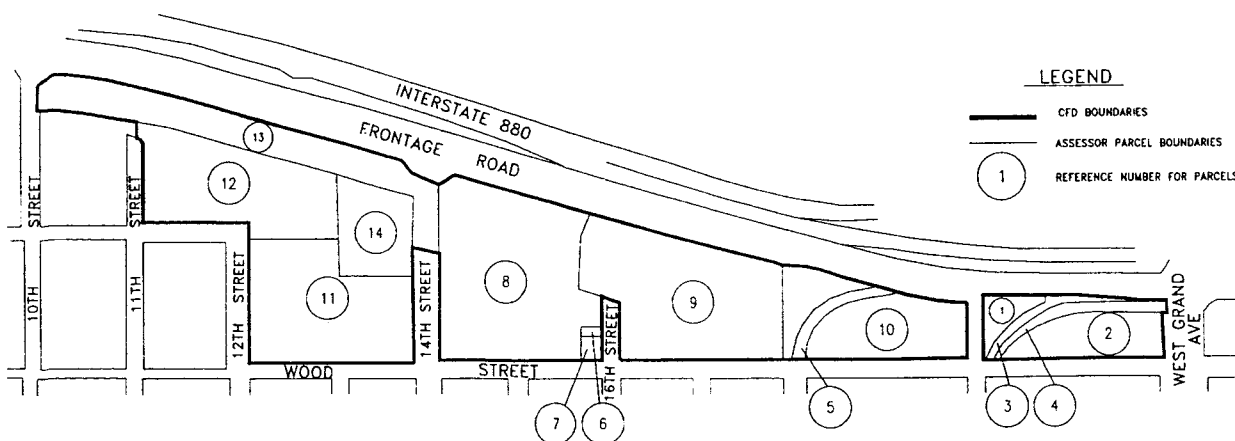
LEGEND

- CFD BOUNDARIES
- ASSESSOR PARCEL BOUNDARIES
- REFERENCE NUMBER FOR PARCELS

FILED THIS 3rd DAY OF July, 2007, AT THE HOUR OF 11:40 O'CLOCK A.M IN BOOK 16 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 80, DOCUMENT No. 200724182 IN THE OFFICE OF THE COUNTY RECORDER IN ALAMEDA COUNTY, STATE OF CALIFORNIA.



[Signature]
COUNTY RECORDER
ALAMEDA COUNTY
STATE OF CALIFORNIA



ASSESSOR PARCELS WITHIN BOUNDARY;
FOR PARTICULARS OF LINES AND DIMENSIONS OF
PARCELS, REFERENCE IS MADE TO THE ASSESSOR
PARCEL NUMBERS OF ALAMEDA COUNTY.

C-2

EXHIBIT D

FORM OF WAIVER AND CONSENT WITH RESPECT TO CONDUCT OF PUBLIC HEARINGS AND MAIL BALLOT ELECTION FOR LANDOWNER ELECTION FOR A COMMUNITY FACILITIES DISTRICT

The undersigned, _____, is an authorized representative of [Developer], an owner of privately owned land within Community Facilities District [No. 2007-1] (Wood Street Development District), City of Oakland, County of Alameda, State of California ("**CFD No.** 2007-1").

The undersigned expressly acknowledges having received copies of the boundary map and the hearing report for CFD No. 2007-1, together with any other information the undersigned deemed relevant to an informed decision with respect to CFD No. 2007-1, and as one of the proponents of CFD No. 2007-1 hereby waives any right to protest at the public hearing to be held on September 18, 2007 regarding CFD No. 2007-1.

The undersigned is legally entitled and authorized to cast the ballot for [Developer] in the landowner mail ballot election to be conducted on September 18, 2007 within CFD No. 2007-1 to determine whether the City shall be authorized to levy a special tax pursuant to the Mello-Roos Community Facilities Act of 1982 (Government Code Sections 53311 *et seq.*) ("**Act**"), as provided by the Resolution of Formation for CFD No. 2007-1 ("**Resolution of Formation**"), proposed to be adopted by the City on September 18, 2007, a copy of which has been furnished to the undersigned.

The undersigned, on behalf of [Developer] hereby acknowledges receipt of the election ballot and waives each of the following:

1. any and all minimum time periods relative to the public hearing to be held pursuant to Section 53321 of the Act and the publication or mailing of the notice of hearing pursuant to Section 53322 of the Act;
2. if necessary, recordation of the boundary map for CFD No. 2007-1 with the County Assessor's office prior to the hearing on the adoption of a resolution of formation, as required by Section 53321 of the Act and Section 3111 of the Streets and Highways Code;
3. any and all minimum time periods relative to the landowner mail ballot election to be held pursuant to Section 53326(a) of the Act;
4. the preparation and distribution of an impartial analysis of the ballot measure, as well as arguments in favor and against, under the authority of Section 53327(b) of the Act;

5. the requirement to publish notice of the election under Section 53352 of the Act;
6. the requirements regarding the time to mail ballots to the qualified electors under Elections Code Section 4101;
7. the requirements regarding identification envelopes for the return of mailed ballots contained in Section 53327.5 of the Act; and
8. any and all defects, whether known or unknown, in notice or procedure in the formation of CFD No. 2007-1, including but not limited to the public hearing and conduct of the election.

The undersigned expressly acknowledges, represents and states that the election is being expedited by the City, pursuant to this waiver and consent, at the request of the undersigned as an authorized representative of [Developer].

I declare, under penalty of perjury, under the laws of the State of California, that the foregoing is true and correct and that this declaration is executed on _____, 200_.

[DEVELOPER],
a **[type of entity]**

By: [DEVELOPER],

By: _____

Its: _____