



## *Community Facilities District Report*



# City of Chino

## Community Facilities District No. 2026-1 (The Meadows)

Prepared for:



March 2026

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# 1. Introduction

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AGENCY: CITY OF CHINO

PROJECT: COMMUNITY FACILITIES DISTRICT NO. 2026-1  
(THE MEADOWS)

TO: CITY COUNCIL  
CITY OF CHINO  
SAN BERNARDINO COUNTY  
STATE OF CALIFORNIA

**Whereas**, the City Council of the CITY OF CHINO, SAN BERNARDINO COUNTY, CALIFORNIA (hereinafter referred to as the “City Council”), did, pursuant to the provisions of the “Mello-Roos Community Facilities Act of 1982”, being chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, and specifically Section 53321.5 thereof, (the “Act”) expressly ordered the filing of a written Public Report (the “Report”) for a proposed COMMUNITY FACILITIES DISTRICT NO. 2026-1 (THE MEADOWS) This Community Facilities District shall be referred to as COMMUNITY FACILITIES DISTRICT NO. 2026-1 (THE MEADOWS) of the CITY OF CHINO (hereinafter referred to as the “District” and “CFD No. 2026-1”); and,

**Whereas**, on January 22, 2026, the City Council adopted Resolution No. 2026-006 (the “Resolution”), and the Resolution ordering said Report, did direct that said Report generally contain the following:

- A description of the public facilities and services by type proposed to be financed by CFD No. 2026-1;
- An estimate setting forth costs of providing such facilities and services;
- The rate and method of apportionment of the Special Tax in sufficient detail to allow each landowner or resident within the proposed District to estimate the annual amount of payment thereof.

**NOW, THEREFORE**, the undersigned, authorized representative of WEBB MUNICIPAL FINANCE, LLC, the appointed Special Tax Consultant and responsible officer or person directed to prepare the Report, pursuant to the provisions of the Act, does hereby submit the following data:

## 2. Description of Facilities/Improvements and Services

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Pursuant to Section 53340 of the Act, the proceeds of any Special Tax levied and collected by CFD No. 2026-1 may be used only to pay for the cost of providing public facilities, services, and incidental expenses. As defined by the Act, incidental expenses include, but are not limited to, the annual cost associated with determination of the amount of Special Taxes, collection of Special Taxes, payment of Special Taxes, or costs otherwise incurred in order to carry out the authorized purposes of the community facilities district.

A general description of the proposed facilities and services for the District is as follows:

### *Facilities/Improvements*

The types of Facilities that are proposed by CFD No. 2026-1 and each of the Improvement Areas therein and financed with the proceeds of special taxes and bonds issued by CFD No. 2026-1 on behalf of each Improvement Area therein consist of backbone infrastructure needed for new development, such as roadway, bridge, sewer, water, reclaimed water, storm drain, street and parkway landscaping, curb and gutter, medians, median landscaping, traffic signals, entry signage, parks, trails, fire facilities, law enforcement facilities, library facilities and public community facilities, and appurtenances and appurtenant work, and development impact fees that are used by the City to construct infrastructure, including any other facilities that are necessary for development of the property within the boundaries of CFD No. 2026-1.

The description of Facilities described above is general in nature. The final nature and location of the Facilities will be determined upon preparation of final plans and specifications.

### *Services*

The services which may be funded with proceeds of the special tax of CFD No. 2026-1, as provided by Section 53313 of the Act, include the following (collectively, the “Services”):

- (i) maintenance of parks, parkways, park lighting, sidewalks, signage, landscaping in public areas, easements or right of way and open space;
- (ii) flood and storm protection services;
- (iii) the operation of storm drainage systems;
- (iv) maintenance of streets and roadways, traffic signals and street lighting;
- (v) graffiti and debris removal from public improvements;
- (vi) public safety services including police, fire protection and fire suppression;
- (vii) operation of library and recreation programs;
- (viii) operation of future museums and cultural facilities; and
- (ix) maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City of Chino.

In addition to payment of the cost and expense of the forgoing services, proceeds of the special tax may be expended to pay “Administrative Expenses” as said term is defined in the Rate and Method of Apportionment and to establish an operating reserve for the costs of services as determined by the CFD Administrator. Capitalized terms used and not defined herein shall have the meanings set forth in the Rate and Method of Apportionment of Special Tax for CFD No. 2026-1 and each of the Improvement Areas therein.

### *Incidental Expenses*

The Incidental Expenses to be paid from bond proceeds and/or Special Taxes include: all costs associated with the creation of CFD No. 2026-1, the issuance of bonds (which may include, but is not limited to, funding the reserve fund, capitalized interest, underwriter discount, underwriter premium, and cost of issuance), the determination of the amount of Special Taxes to be levied, costs otherwise incurred in order to carry out the

## 2. Description of Facilities/Improvements and Services

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authorized purposes of CFD No. 2026-1, including legal fees, fees of consultants, engineering, planning, designing and the annual administration cost of CFD No. 2026-1.

The description of the eligible public facilities, services and incidental expenses above are preliminary and general in nature. The final plans and specifications approved by the applicable public agency may show substitutes or modifications in order to accomplish the work or serve the new development and any such substitution or modification shall not constitute a change or modification in the proceedings relating to CFD No. 2026-1.

Based upon the preceding, it is my opinion that the facilities and services being funded are those that are necessary to meet certain increased demands placed upon the City of Chino, as a result of development and/or rehabilitation occurring within the boundaries of the District.

DATED: March 3, 2026

WEBB MUNICIPAL FINANCE, LLC

By:   
SPECIAL TAX CONSULTANT FOR  
CITY OF CHINO  
SAN BERNARDINO COUNTY  
STATE OF CALIFORNIA

### 3. Cost Estimate

1. The cost estimate, including Incidental Expenses, to be financed through the issuance of CFD No. 2026-1 Bonds is estimated to be \$24,260,000 based upon current dollars (Fiscal Year 2025-26).
2. For further particulars, reference is made to Table 3-1 on the following pages and incorporated herein by reference.
3. Pursuant to Section 53340 of the Act, the proceeds of any Special Tax levied and collected by CFD No. 2026-1 may be used only to pay for the cost of providing public facilities, services, and incidental expenses. As defined by the Act, incidental expenses include, but are not limited to, the annual costs associated with determination of the amount of Special Taxes, collection of Special Taxes, payment of Special Taxes, or costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District. The incidental expenses associated with the annual administration of CFD No. 2026-1 are estimated to be \$30,000 in the initial Fiscal Year. However, it is anticipated that the incidental expenses will vary due to inflation and other factors that may not be foreseen today, and the actual incidental expenses may exceed these amounts accordingly.

*Table 3-1  
Cost Estimate <sup>(1)</sup>*

Item	CFD No. 2026-1
<b>City of Chino Development Impact Fees</b>	<b>Total</b>
Law Enforcement Facilities	\$216,524
Fire Protection Facilities	\$488,048
Circulation (Streets, Signals and Bridges)	\$3,326,265
<b>Circulation (Streets, Signals and Bridges) Credit</b>	<b>(\$722,028)</b>
Storm Drain Collection	\$2,302,051
Sewage Collection and Disposal	\$1,510,363
Water Source Storage and Distribution	\$4,299,647
General Facilities	\$89,996
Public Use (Community Center) Facilities	\$2,256,210
Misc. Open Space Amenities	\$803,030
Congestion Management Plan	\$211,441
Park Fund	\$7,968,072
<b>Park Fund</b>	<b>(\$7,968,072)</b>
<b>Subtotal Eligible Development Impact Fees:</b>	<b>\$14,781,547</b>
<b>City of Chino Improvements</b>	<b>Total</b>
Storm Drain Improvements	\$862,237
Recycled Water	\$195,575
Domestic Water	\$566,745
Sewer	\$201,615
Wet Utilities	\$216,500
Streets	\$2,533,073
Lighting and Landscaping	\$1,000,000
Soft Costs	\$669,089
Administrative Costs	\$312,242
<b>Subtotal Eligible City Improvements:</b>	<b>\$6,557,076</b>

### 3. Cost Estimate

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<b>Estimated Bond Issuance:</b>	<b>\$24,260,000</b>
<b>Estimated Incidentals:</b>	<b>(\$3,155,697)</b>
<b>Estimated Project Funds Available:</b>	<b>\$21,104,303</b>
<b>Estimated Unfunded Eligible Improvements:</b>	<b>(\$234,320)</b>

DATED: March 3, 2026

WEBB MUNICIPAL FINANCE, LLC

By: Heidi Schaeppel  
SPECIAL TAX CONSULTANT FOR  
CITY OF CHINO  
SAN BERNARDINO COUNTY  
STATE OF CALIFORNIA

## 4. Proposed Development

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Improvement Area No. 1 (IA No. 1) is planned to contain approximately 5.28 net taxable acres within Tract Number 20312-2. IA No. 1 is planned to be developed into 280 single-family detached units and is located north of Bickmore Avenue, east of West Preserve Loop, west of Main Street, and south of Garden Park Street in the City of Chino. The proposed IA No. 1 boundaries include the following Assessor Parcel Number: 1055-461-09-0000.

Improvement Area No. 2 (IA No. 2) is planned to contain approximately 1.95 net taxable acres within Tract Number 20312-2. IA No. 2 is planned to be developed into 98 single-family detached units and is located south of Bickmore Avenue, east of West Preserve Loop, and north of Pine Avenue in the City of Chino. The proposed IA No. 2 boundaries include the following Assessor Parcel Numbers: 1055-621-02-0000 (portion).

Improvement Area No. 3 (IA No. 3) is planned to contain approximately 2.54 net taxable acres within Tract Number 20312-2. IA No. 3 is planned to be developed into 138 single-family detached units and is located south of Bickmore Avenue, east of West Preserve Loop, and north of Pine Avenue in the City of Chino. The proposed IA No. 3 boundaries include the following Assessor Parcel Numbers: 1055-621-02-0000 (portion) and 1055-621-03-0000.

The Boundary Map for CFD No. 2026-1 is attached hereto as Appendix B (the "Boundary Map").

## 5. Rate and Method of Apportionment

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1. Each Rate and Method of Apportionment allows each property owner within the proposed District to estimate the annual amount that would be required for payment. The Rate and Method of Apportionment of the Special Tax for the District, established pursuant to these proceedings, is attached hereto as Appendix A (the "Rate and Method of Apportionment"). The Special Tax will be collected in the same manner and at the same time as ad valorem property taxes and subject to the same penalties and provisions; however, the Special Tax may be collected at a different time or in a different manner if necessary for CFD No. 2026-1 to meet its financial obligations and may covenant to foreclose on delinquent parcels as permitted by the Act.
2. All of the property located within CFD No. 2026-1, unless exempted by law or by the Special Tax proposed for CFD No. 2026-1, shall be taxed for the purpose of providing necessary facilities and services to serve the District. The Boundary Map for each Improvement Area of CFD No. 2026-1 is attached hereto as Appendix B. Pursuant to Section 53325.3 of the Act, the tax imposed "is a Special Tax and not a special assessment, and there is no requirement that the tax be apportioned on the basis of benefit to any property." The Special Tax may be based on benefit received by property, the cost of making facilities or authorized services available or other reasonable basis as determined by the City Council, although the Special Tax may not be apportioned on an ad valorem basis pursuant to Article XIII A of the California Constitution. A property owner within the District may choose to prepay in whole or in part the Special Tax A. The available method for so doing is described in Section G and H of each Rate and Method ("Prepayment of Special Tax A"). Special Tax B may not be prepaid.

For each year that any Bonds are outstanding, the Special Tax shall be levied on all Parcels in accordance with this Rate and Method of Apportionment. If any delinquent Special Taxes remain uncollected prior to or after all Bonds are retired, the Special Tax may be levied to the extent necessary to reimburse the CFD for uncollected Special Taxes and costs associated with the levy of such Special Taxes, but the Special Tax shall not be levied after the 2069-2070 Fiscal Year.

3. For particulars as to each Rate and Method of Apportionment, see the attached and incorporated Appendix A.

It is my opinion that each Rate and Method of Apportionment, described above and set forth in Appendix A, is fair and reasonable.

This Report has been prepared and consolidated by the Special Tax Consultant, Webb Municipal Finance, LLC, and is herewith submitted to the Board pursuant to the applicable provisions of the Mello-Roos Community Facilities Act of 1982.

DATED March 3, 2026

WEBB MUNICIPAL FINANCE, LLC

By:   
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SPECIAL TAX CONSULTANT FOR  
CITY OF CHINO  
SAN BERNARDINO COUNTY  
STATE OF CALIFORNIA

**APPENDIX A**

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Rate and Method of Apportionment



**RATE AND METHOD OF APPORTIONMENT FOR  
COMMUNITY FACILITIES DISTRICT NO. 2026-1  
OF THE CITY OF CHINO  
(IMPROVEMENT AREA NO. 1)**

The following sets forth the Rate and Method of Apportionment for the levy and collection of Annual Special Tax A and Annual Special Tax B in Improvement Area No. 1 of the City of Chino ("City") Community Facilities District No. 2026-1 ("CFD No. 2026-1"). An Annual Special Tax A and Annual Special Tax B shall be levied on and collected in Improvement Area No. 1 of CFD No. 2026-1 each Fiscal Year, in an amount determined through the application of the Rate and Method of Apportionment described below. All of the real property within Improvement Area No. 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.

**SECTION 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 the Assessor's Parcel Map, the land area as shown on the applicable Final Map, or if the land area is not shown on the applicable Final Map, the land area shall be calculated by the City Engineer.

**"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 any ordinary and necessary expenses allocable to the Special Tax A Requirement and to the Special Tax B Requirement which are incurred by the City on behalf of Improvement Area No. 1 related to the determination of the amount of the levy of Special Tax A and Special Tax B, the collection of Special Tax A and Special Tax B including the expenses of collecting delinquencies, the administration of Bonds, the payment of salaries and benefits of any City employee whose duties are directly related to the administration of Improvement Area No. 1, and costs otherwise incurred in order to carry out the authorized purposes of CFD No. 2026-1 relating to Improvement Area No. 1.

**"Administrator"** means an official of the City, or designee thereof, responsible for, among other things, determining the annual amount of the levy and collection of the Special Tax A and Special Tax B.

**"Annual Special Tax A"** means for each Assessor's Parcel, the Special Tax A actually levied in a given Fiscal Year on any Assessor's Parcel.

**"Annual Special Tax B"** means for each Assessor's Parcel, the Special Tax B actually levied in a given Fiscal Year on any Assessor's Parcel.

**"Approved Property"** means all Assessor's Parcels of Taxable Property other than Provisional Undeveloped Property: (i) that are included in a Final Map that was recorded prior to the January 1st preceding the Fiscal Year in which the Special Tax A is being levied, and (ii) that have not been issued a building permit on or before March 1st preceding the Fiscal Year in which the Special Tax A is being levied.

**“Assessor’s Parcel”** means a lot or parcel of land designated on an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number within the boundaries of Improvement Area No. 1.

**“Assessor’s Parcel Map”** means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

**“Assessor’s Parcel Number”** means that number assigned to a lot or parcel of land by the County Assessor for purposes of identification.

**“Assigned Annual Special Tax A”** means the Special Tax A of that name described in Section D below.

**“Backup Annual Special Tax A”** means the Special Tax A of that name described in Section E below.

**“Bonds”** means those bonds issued by or on behalf of CFD No. 2026-1 Improvement Area No. 1, or any refunding thereof, to which Special Tax A within Improvement Area No. 1 has been pledged.

**“Boundary Map”** means a recorded map of the CFD No. 2026-1 which indicates the boundaries of Improvement Area No. 1 of CFD No. 2026-1.

**“Building Square Footage” or “BSF”** means the square footage of assessable internal living space, exclusive of garages or other structures not used as living space, as determined by reference to the building permit application for such Assessor’s Parcel and subject to verification by City Staff.

**“Calendar Year”** means the period commencing January 1 of any year and ending the following December 31.

**“CFD No. 2026-1”** means Community Facilities District No. 2026-1 Improvement Area No. 1 established by the City under the Act.

**“City”** means the City of Chino, or its designee.

**“City Council”** means the City Council of the City of Chino, acting as the legislative body of CFD No. 2026-1, or its designee.

**“Consumer Price Index” or “CPI”** means the index published monthly by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Riverside-San Bernardino-Ontario area. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the Administrator that is reasonably comparable to the Consumer Price Index for the Riverside-San Bernardino-Ontario.

**“County”** means the County of San Bernardino.

**“Developed Property”** means all Assessor’s Parcels of Taxable Property other than Provisional Undeveloped Property that: (i) are included in a Final Map that was recorded prior to January 1st preceding the Fiscal Year in which the Special Tax A is being levied, and (ii) a building permit was issued on or before March 1st preceding the Fiscal Year in which the Special Tax A or Special Tax B is being levied.

**“Exempt Property”** means all Assessor’s Parcels designated as being exempt from both Special Tax A and Special Tax B as provided for in Section L.

**“Final Map”** means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, 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.

**“Fiscal Year”** means the period commencing July 1 of any year and ending the following June 30.

**“Improvement Area No. 1”** means Improvement Area No. 1 of CFD No. 2026-1, as identified on the boundary map for CFD No. 2026-1 Improvement Area No. 1.

**“Land Use Type”** means Residential Property, Multifamily Residential Property, or Non-Residential Property.

**“Maximum Special Tax A”** means for each Assessor’s Parcel of Taxable Property, the maximum Special Tax A, determined in accordance with Section C that can be levied in any Fiscal Year on such Assessor’s Parcel.

**“Maximum Special Tax B”** means for each Assessor’s Parcel of Developed Property, the maximum amount of Special Tax B, determined in accordance with Section I that can be levied in any Fiscal Year on such Assessor’s Parcel.

**“Multifamily Residential Property”** means all Parcels of Developed Property for which a building permit has been issued for the purpose of constructing a building or buildings comprised of attached Units available for rental by the general public, not for sale to an end user, and under common management, as determined by the Administrator.

**“Non-Residential Property”** means all Assessor’s Parcels of Developed Property for which a building permit was issued for any type of non-residential use.

**“Partial Prepayment Amount”** means the amount required to prepay a portion of the Special Tax A obligation for an Assessor’s Parcel, as described in Section H.

**“Prepayment Amount”** means the amount required to prepay the Special Tax A obligation in full for an Assessor’s Parcel, as described in Section G.

**“Proportionately”** means for Special Tax A that the ratio of the Annual Special Tax A levy to the applicable Assigned Annual Special Tax A is equal for all applicable Assessor’s Parcels. In the case of Special Tax B, means that the ratio of the Annual Special Tax B levy to the applicable Maximum Special Tax B is equal for all applicable Assessor’s Parcels. In case of Developed Property subject to the apportionment of the Annual Special Tax A under Step Four of Section F, “Proportionately” means that the quotient of (a) Annual Special Tax A less the Assigned Annual Special Tax A divided by (b) the Backup Annual Special Tax A less the Assigned Annual Special Tax A, is equal for all applicable Assessor’s Parcels.

**“Provisional Undeveloped Property”** means all Assessor’s Parcels of Taxable Property subject to Special Tax A that would otherwise be classified as Exempt Property pursuant to the provisions

of Section L, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage set forth in Section L.

**“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 dwelling units, which is not Multifamily Residential Property.

**“Services”** means services permitted under the Act including, without limitation, maintenance of parks, parkways and open space, flood and storm protection services the operation of storm drainage systems, and public safety services. All of the services financed must be provided within the boundaries of or for the benefit of CFD No. 2026-1.

**“Special Tax A”** means any of the special taxes authorized to be levied on Taxable Property within Improvement Area No. 1 by CFD No. 2026-1 pursuant to the Act to fund the Special Tax A Requirement.

**“Special Tax B”** means the special tax authorized to be levied in each Fiscal Year on each Assessor’s Parcel of Developed Property to fund the Special Tax B Requirement.

**“Special Tax A Requirement”** means, subject to the Maximum Special Tax A, the amount required in any Fiscal Year to pay: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses (apportioned between Special Tax A and Special Tax B), (iii) the costs associated with the release of funds from an escrow account, (iv) any amount required to establish or replenish any reserve funds established in association with the Bonds, and (v) the collection or accumulation of funds for the acquisition or construction of facilities or payment of fees authorized by CFD No. 2026-1 by the levy on Developed Property of the Assigned Annual Special Tax A, provided that the inclusion of such amount does not cause an increase in the levy of Special Tax A on Approved Property or Undeveloped Property as set forth in Step Two and Three of Section F, less (vi) any amount available to pay debt service or other periodic costs on the Bonds pursuant to any applicable fiscal agent agreement, or trust agreement.

**“Special Tax B Requirement”** means, subject to the Maximum Special Tax B, that amount to be collected in any Fiscal Year to pay for Services as required to meet the needs of CFD No. 2026-1 in both the current Fiscal Year and the next Fiscal Year. The costs of Services to be covered shall be the direct costs for (i) Services, and (ii) Administrative Expenses (apportioned between Special Tax A and Special Tax B); less (iii) a credit for funds available to reduce the Annual Special Tax B levy, if any, as determined by the Administrator. Under no circumstances shall the Special Tax B Requirement include funds for Bonds.

**“Taxable Property”** means all Assessor’s Parcels within Improvement Area No. 1, which are not Exempt Property.

**“Undeveloped Property”** means all Assessor’s Parcels of Taxable Property which are not Developed Property, Approved Property or Provisional Undeveloped Property.

**“Unit”** means any residential structure.

## **SECTION B CLASSIFICATION OF ASSESSOR’S PARCELS**

Each Fiscal Year, beginning with Fiscal Year 2026-27, each Assessor's Parcel within Improvement Area No. 1 shall be classified as Taxable Property or Exempt Property. In addition, each Assessor's Parcel of Taxable Property shall be further classified as Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property. In addition, each Assessor's Parcel of Developed Property shall further be classified as Residential Property, Multifamily Residential Property, or Non-Residential Property.

**SECTION C  
MAXIMUM SPECIAL TAX A**

**1. Developed Property**

The Maximum Special Tax A for each Assessor's Parcel of Residential Property, Multifamily Residential Property, or Non-Residential Property in any Fiscal Year shall be the greater of (i) the Assigned Annual Special Tax A or (ii) the Backup Annual Special Tax A.

**2. Approved Property, Undeveloped Property, and Provisional Undeveloped Property**

The Maximum Special Tax A for each Assessor's Parcel classified as Approved Property, Undeveloped Property, or Provisional Undeveloped Property in any Fiscal Year shall be the Assigned Annual Special Tax A.

**SECTION D  
ASSIGNED ANNUAL SPECIAL TAX A**

**1. Developed Property**

Each Fiscal Year, each Assessor's Parcel of Residential Property, Multifamily Residential Property, or Non-Residential Property shall be subject to an Assigned Annual Special Tax A.

The Assigned Annual Special Tax A applicable to an Assessor's Parcel of Developed Property shall be determined using the Table below.

**TABLE 1  
ASSIGNED ANNUAL SPECIAL TAX A RATES  
FOR DEVELOPED PROPERTY**

Land Use Type	Building Square Footage	Rate
Residential Property	Less than 1,450	\$3,280 per Unit
Residential Property	1,450 – 1,599	\$3,425 per Unit
Residential Property	1,600 – 1,749	\$3,570 per Unit
Residential Property	1,750 – 1,899	\$3,715 per Unit
Residential Property	1,900 – 2,049	\$3,860 per Unit
Residential Property	Greater than 2,049	\$4,005 per Unit
Multifamily Residential Property	N/A	\$216,060 per Acre
Non-Residential Property	N/A	\$216,060 per Acre

2. **Approved Property, Undeveloped Property, and Provisional Undeveloped Property**  
 Each Fiscal Year, each Assessor's Parcel of Approved Property, Undeveloped Property, and Provisional Undeveloped Property shall be subject to an Assigned Annual Special Tax A. The Assigned Annual Special Tax A rate for an Assessor's Parcel classified as Approved Property, Undeveloped Property, or Provisional Undeveloped Property shall be determined pursuant to Table 2 below:

**TABLE 2  
ASSIGNED ANNUAL SPECIAL TAX A RATES  
FOR APPROVED PROPERTY, UNDEVELOPED PROPERTY,  
AND PROVISIONAL UNDEVELOPED PROPERTY**

Minimum Taxable Acreage	Rate
4.75	\$216,060 per Acre

**SECTION E  
BACKUP ANNUAL SPECIAL TAX A**

At the time a Final Map is recorded, the City shall determine the Backup Annual Special Tax A for all Assessor's Parcels classified or reasonably expected to be classified as Residential Property within such Final Map area shall be determined by multiplying the Maximum Special Tax A rate for Undeveloped Property by the total Acreage of Taxable Property, excluding the Provisional Undeveloped Property Acreage area, or Multifamily Residential Property and/or Non-Residential Property Acreage area if any, in such Final Map area and any Acreage reasonably expected to be classified as Exempt Property, and dividing such amount by the total number of such Assessor's Parcels of Residential Property. In no circumstance shall the total Acreage of Taxable Property in less than the acreage set forth in Table 2.

The Backup Annual Special Tax A for Multifamily Residential Property shall be its Annual Assigned Special Tax A Rate.

Notwithstanding the foregoing, if Assessor's Parcels which are classified or to be classified as Residential Property or Multifamily Residential Property are subsequently changed by recordation of a lot line adjustment, Final Map amendment, new Final Map or similar instrument, then the Backup Annual Special Tax A shall be recalculated within the area that has been changed to equal the amount of Backup Annual Special Tax A that would have been generated if such change did not take place.

## **SECTION F METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX A**

Commencing Fiscal Year 2026-27 and for each subsequent Fiscal Year, the City Council shall levy Annual Special Tax A in accordance with the following steps:

- Step One: The Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Annual Special Tax A rates in Table 1 to satisfy the Special Tax A Requirement.
- Step Two: If additional moneys are needed to satisfy the Special Tax A Requirement after the first step has been completed, the Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Approved Property at up to 100% of the applicable Assigned Annual Special Tax A to satisfy the Special Tax A Requirement.
- Step Three: If additional moneys are needed to satisfy the Special Tax A Requirement after the first two steps have been completed, the Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Assigned Annual Special Tax A for Undeveloped Property applicable to each such Assessor's Parcel as needed to satisfy the Special Tax A Requirement.
- Step Four: If additional moneys are needed to satisfy the Special Tax A Requirement after the first three steps have been completed, then the Annual Special Tax A on each Assessor's Parcel of Developed Property for which the Maximum Special Tax A is the Backup Annual Special Tax A shall be increased Proportionately from the Assigned Annual Special Tax A up to 100% of the Backup Annual Special Tax A as needed to satisfy the Special Tax A Requirement.
- Step Five: If additional moneys are needed to satisfy the Special Tax A Requirement after the first four steps have been completed, the Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Provisional Undeveloped Property up to 100% of the Assigned Annual Special Tax A applicable to each such Assessor's Parcel as needed to satisfy the Special Tax A Requirement.

## **SECTION G PREPAYMENT OF ANNUAL SPECIAL TAX A**

The following definition applies to this Section G:

**“Outstanding Bonds”** means all previously issued Bonds issued and secured by the levy of Special Tax A which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of Maximum Special Tax A.

**Prepayment:**

The Special Tax A obligation of an Assessor's Parcel of Developed Property, an Assessor's Parcel of Approved Property, an Assessor's Parcel of Undeveloped Property, and an Assessor's Parcel of Provisional Undeveloped Property may be prepaid in full, provided that there are no delinquent Special Tax A, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Special Tax A obligation would be prepaid. The Prepayment Amount for an Assessor's Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor's Parcel intending to prepay the Special Tax A obligation shall provide the City with written notice of intent to prepay, and within five (5) days of receipt of such notice, the City shall notify such owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by Improvement Area No. 1 in calculating the proper amount of a prepayment. Within fifteen (15) days of receipt of such non-refundable deposit, the City shall notify such owner of the prepayment amount of such Assessor's Parcel.

The Prepayment Amount for each applicable Assessor's Parcel shall be calculated according to the following formula (capitalized terms defined below):

$$\begin{array}{rcl} & & \text{Payoff Amount} \\ \text{plus} & & \text{Administrative Fee} \\ \text{equals} & & \text{Prepayment Amount} \end{array}$$

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For an Assessor's Parcel of Developed Property and Provisional Undeveloped Property, compute the Assigned Annual Special Tax A applicable to the Assessor's Parcel. For an Assessor's Parcel of Approved Property, compute the Assigned Annual Special Tax A as though it was already designated as Developed Property based upon the building permit issued or expected to be issued for that Assessor's Parcel. For an Assessor's Parcel of Undeveloped Property compute the Assigned Annual Special Tax A as though it was already designated as Developed Property based upon the building permit issued or expected to be issued for that Assessor's Parcel.

For each Assessor's Parcel of Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property to be prepaid, compute the present value of the remaining Annual Assigned Special Tax A payments using a discount rate that is equal to the weighted average interest rate on the Outstanding Bonds and the remaining term of the Outstanding Bonds determined by a Financial Advisor selected by the City. For any prepayment that occurs prior to the first issuance of Bonds, the discount rate used in this calculation shall be 5.5% and the term shall be the period in which the Special Tax A may be levied as provided in Section K less ten years. This is the "Payoff Amount."

2. For each Assessor's Parcel of Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property to be prepaid, divide the Assigned Annual Special Tax A computed pursuant to the first paragraph in paragraph 1 of this Section G for such Assessor's Parcel by

the sum of the estimated Assigned Annual Special Tax applicable to all Assessor's Parcels of Taxable Property at build out, as reasonably determined by the City.

3. Multiply the quotient computed pursuant to paragraph 2 by the Outstanding Bonds. The product shall be the "Bond Redemption Amount".
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed with the proceeds of the Bond Redemption Amount. This product is the "Redemption Premium."
5. Compute the amount needed to pay interest on the Bond Redemption Amount to be redeemed with the proceeds of the Prepayment Amount until the earliest call date for the Outstanding Bonds.
6. Determine the amount of interest earnings to be derived from the reinvestment of the Bond Redemption Amount plus the Redemption Premium in State and Local Government Series Treasury Obligations until the earliest call date for the Outstanding Bonds.
7. Subtract the amount computed pursuant to paragraph 6 from the amount computed pursuant to paragraph 5. This difference is the "Defeasance Cost."
8. Estimate the administrative fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption. This amount is the "Administrative Fee."
9. Calculate the "Reserve Fund Credit" as the lesser of: (a) the expected reduction in the applicable reserve requirements, if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirements in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve funds on the prepayment date. Notwithstanding the foregoing, if the reserve fund requirement is satisfied by a surety bond or other instrument at the time of the prepayment, then no Reserve Fund Credit shall be given. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than zero.
10. The "Amount to Call Bonds" is equal to the sum of the Bond Redemption Amount, the Redemption Premium, and the Defeasance Cost, less the Reserve Fund Credit (the Amount to Call Bonds will be transferred to the debt service fund and used to defease or call bonds).
11. The Prepayment Amount is the sum of the Payoff Amount and the Administrative Fee.

12. From the Prepayment Amount, the Amount to Call Bonds will be transferred to the debt service fund and used to defease or call bonds pursuant to the fiscal agent agreement or escrow agreement; the Administrative Fee will be transferred to the Administrative Fund or functionally equivalent fund or account pursuant to the fiscal agent agreement and used to pay administrative expenses; the remainder will be transferred to the Surplus Taxes Fund or functionally equivalent fund or account pursuant to the fiscal agent agreement.

With respect to the Special Tax A obligation that is prepaid pursuant to this Section G, the City Council shall indicate in the records of Improvement Area No. 1 that there has been a prepayment of the Special Tax A obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax A obligation and the release of the Special Tax A lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax A shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Special Tax A that may be levied on Taxable Property after such full prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all Outstanding Bonds in each future Fiscal Year.

**SECTION H**  
**PARTIAL PREPAYMENT OF ANNUAL SPECIAL TAX A**

The Special Tax A obligation of an Assessor's Parcel of Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property, for which a building permit has been issued or is expected to be issued, as calculated in this Section H below, may be partially prepaid, provided that there are no delinquent Special Tax A, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Special Tax A obligation would be prepaid.

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = P_G \times F$$

The terms above have the following meanings:

- PP = the Partial Prepayment Amount.
- P<sub>G</sub> = the Prepayment Amount calculated according to Section G.
- F = the percent by which the owner of the Assessor's Parcel is partially prepaying the Special Tax A obligation.

With respect to any Assessor's Parcel that is partially prepaid, the City Council shall indicate in the records of Improvement Area No. 1 that there has been a partial prepayment of the Special Tax A obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such partial prepayment of the Special Tax A obligation, to indicate the partial prepayment of the Special Tax A obligation and the partial release of the Special Tax A lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Special Tax A shall cease.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Tax A that may be levied on Taxable Property after such partial prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

**SECTION I  
MAXIMUM SPECIAL TAX B**

**1. Developed Property**

**Maximum Special Tax B**

The Maximum Special Tax B for each Assessor's Parcel of Developed Property for each Land Use Type is shown in the Table below.

On each July 1, commencing July 1, 2026, the Maximum Special Tax for Residential Property for the prior Fiscal Year shall be increased by (i) an amount equal to the percentage change increase in the Consumer Price Index for the twelve month period ending in March of the prior Fiscal Year, not to exceed 7%.

The Maximum Special Tax for Multifamily Residential Property and Non-Residential Property shall not increase.

**TABLE 3  
MAXIMUM SPECIAL TAX B RATES  
FOR DEVELOPED PROPERTY**

<b>Land Use Type</b>	<b>Building Square Footage</b>	<b>Rate</b>
Residential Property	Less than 1,450	\$590 per Unit
Residential Property	1,450 – 1,599	\$602 per Unit
Residential Property	1,600 – 1,749	\$620 per Unit
Residential Property	1,750 – 1,899	\$650 per Unit
Residential Property	1,900 – 2,049	\$679 per Unit
Residential Property	Greater than 2,049	\$697 per Unit
Multifamily Residential Property	N/A	\$38,041 per Acre
Non-Residential Property	N/A	\$38,041 per Acre

**2. Approved Property, Undeveloped Property, and Provisional Undeveloped Property**

No Special Tax B shall be levied on Approved Property, Undeveloped Property, or Provisional Undeveloped Property.

**3. Method of Apportionment of the Maximum Special Tax B**

Commencing with Fiscal Year 2026-27 and for each following Fiscal Year, the City shall levy the Special Tax B at up to 100% of the applicable Maximum Special Tax B, proportionately on each Assessor's Parcel of Developed Property until the amount of Special Tax B equals the Special Tax B Requirement.

**SECTION J  
PREPAYMENT OF ANNUAL SPECIAL TAX B**

Special Tax B cannot be prepaid.

**SECTION K  
TERM OF SPECIAL TAX A AND SPECIAL TAX B**

For each Fiscal Year that any Bonds are outstanding the Annual Special Tax A shall be levied on all Assessor's Parcels subject to the Annual Special Tax A. If any delinquent Annual Special Tax A amounts remain uncollected prior to or after all Bonds are retired, the Annual Special Tax A may be levied to the extent necessary to reimburse Improvement Area No. 1 for uncollected Annual Special Tax A amounts associated with the levy of such Annual Special Tax A amounts, but not later than the 2069-70 Fiscal Year.

Special Tax B shall be levied in perpetuity as long as the Services are being provided.

**SECTION L  
EXEMPT PROPERTY**

The City shall classify as Exempt Property, (i) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by the State of California, Federal or other local governments, including school districts, (ii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iii) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by a homeowners' association, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Assessor's Parcels which are privately owned and are encumbered by or restricted solely for public uses, or (vi) other types of public uses determined by the City Council.

Notwithstanding the foregoing, the City Council for purposes of levying the Special Tax A shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property to less than the Acreage amounts listed in Table 4 below. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Acreage amounts listed in Table 4 will be classified as Provisional Undeveloped Property, and will be subject to the levy of Special Tax A pursuant to Step Five in Section F.

**TABLE 4  
MINIMUM TAXABLE ACRES**

<b>Acres</b>
4.75

**SECTION M  
APPEALS AND INTERPRETATIONS**

Any property owner claiming that the amount or application of the Special Tax A or Special Tax B is not correct may file a written notice of appeal with the City Council not later than twelve months after having paid the first installment of the Special Tax A or Special Tax B that is disputed. A representative(s) of CFD No. 2026-1 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of Special Tax A or Special Tax B, and rule on the appeal. If the representative's decision requires that the Special Tax A or Special Tax B for an Assessor's Parcel be modified or changed in favor of the property owner,

The representative shall take any of the following actions, in order of priority, to correct the error:

(i) if possible, amend the Special Tax levy on the property owner's Assessor's Parcel(s) for the current Fiscal Year, prior to the payment date,

(ii) require the CFD to reimburse the property owner for the amount of the overpayment to the extent of available CFD funds, or

(iii) grant a credit against, eliminate, or reduce the future Special Taxes on the property owner's Assessor's Parcel(s) in the amount of the overpayment.

The City may interpret this Rate and Method of Apportionment of Special Tax for purposes of clarifying any ambiguity and make determinations relative to the amount of Administrative Expenses.

**SECTION N  
MANNER OF COLLECTION**

The Annual Special Tax A or Annual Special Tax B shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that Improvement Area No. 1 may collect Annual Special Tax A and Annual Special Tax B at a different time or in a different manner if necessary to meet its financial obligations.

**RATE AND METHOD OF APPORTIONMENT FOR  
COMMUNITY FACILITIES DISTRICT NO. 2026-1  
OF THE CITY OF CHINO  
(IMPROVEMENT AREA NO. 2)**

The following sets forth the Rate and Method of Apportionment for the levy and collection of Annual Special Tax A and Annual Special Tax B in Improvement Area No. 2 of the City of Chino ("City") Community Facilities District No. 2026-1 ("CFD No. 2026-1"). An Annual Special Tax A and Annual Special Tax B shall be levied on and collected in Improvement Area No. 2 of CFD No. 2026-1 each Fiscal Year, in an amount determined through the application of the Rate and Method of Apportionment described below. All of the real property within Improvement Area No. 2, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

**SECTION 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 the Assessor's Parcel Map, the land area as shown on the applicable Final Map, or if the land area is not shown on the applicable Final Map, the land area shall be calculated by the City Engineer.

**"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 any ordinary and necessary expenses allocable to the Special Tax A Requirement and to the Special Tax B Requirement which are incurred by the City on behalf of Improvement Area No. 2 related to the determination of the amount of the levy of Special Tax A and Special Tax B, the collection of Special Tax A and Special Tax B including the expenses of collecting delinquencies, the administration of Bonds, the payment of salaries and benefits of any City employee whose duties are directly related to the administration of Improvement Area No. 2, and costs otherwise incurred in order to carry out the authorized purposes of CFD No. 2026-1 relating to Improvement Area No. 2.

**"Administrator"** means an official of the City, or designee thereof, responsible for, among other things, determining the annual amount of the levy and collection of the Special Tax A and Special Tax B.

**"Annual Special Tax A"** means for each Assessor's Parcel, the Special Tax A actually levied in a given Fiscal Year on any Assessor's Parcel.

**"Annual Special Tax B"** means for each Assessor's Parcel, the Special Tax B actually levied in a given Fiscal Year on any Assessor's Parcel.

**"Approved Property"** means all Assessor's Parcels of Taxable Property other than Provisional Undeveloped Property: (i) that are included in a Final Map that was recorded prior to the January 1st preceding the Fiscal Year in which the Special Tax A is being levied, and (ii) that have not

been issued a building permit on or before March 1st preceding the Fiscal Year in which the Special Tax A is being levied.

**“Assessor’s Parcel”** means a lot or parcel of land designated on an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number within the boundaries of Improvement Area No. 2.

**“Assessor’s Parcel Map”** means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

**“Assessor’s Parcel Number”** means that number assigned to a lot or parcel of land by the County Assessor for purposes of identification.

**“Assigned Annual Special Tax A”** means the Special Tax A of that name described in Section D below.

**“Backup Annual Special Tax A”** means the Special Tax A of that name described in Section E below.

**“Bonds”** means those bonds issued by or on behalf of CFD No. 2026-1 Improvement Area No. 2, or any refunding thereof, to which Special Tax A within Improvement Area No. 2 has been pledged.

**“Boundary Map”** means a recorded map of the CFD No. 2026-1 which indicates the boundaries of Improvement Area No. 2 of CFD No. 2026-1.

**“Building Square Footage” or “BSF”** means the square footage of assessable internal living space, exclusive of garages or other structures not used as living space, as determined by reference to the building permit application for such Assessor’s Parcel and subject to verification by City Staff.

**“Calendar Year”** means the period commencing January 1 of any year and ending the following December 31.

**“CFD No. 2026-1”** means Community Facilities District No. 2026-1 Improvement Area No. 2 established by the City under the Act.

**“City”** means the City of Chino, or its designee.

**“City Council”** means the City Council of the City of Chino, acting as the legislative body of CFD No. 2026-1, or its designee.

**“Consumer Price Index” or “CPI”** means the index published monthly by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Riverside-San Bernardino-Ontario area. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the Administrator that is reasonably comparable to the Consumer Price Index for the Riverside-San Bernardino-Ontario.

**“County”** means the County of San Bernardino.

**“Developed Property”** means all Assessor’s Parcels of Taxable Property other than Provisional Undeveloped Property that: (i) are included in a Final Map that was recorded prior to January 1st

preceding the Fiscal Year in which the Special Tax A is being levied, and (ii) a building permit was issued on or before March 1st preceding the Fiscal Year in which the Special Tax A or Special Tax B is being levied.

**“Exempt Property”** means all Assessor’s Parcels designated as being exempt from both Special Tax A and Special Tax B as provided for in Section L.

**“Final Map”** means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, 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.

**“Fiscal Year”** means the period commencing July 1 of any year and ending the following June 30.

**“Improvement Area No. 2”** means Improvement Area No. 2 of CFD No. 2026-1, as identified on the boundary map for CFD No. 2026-1 Improvement Area No. 2.

**“Land Use Type”** means Residential Property, Multifamily Residential Property, or Non-Residential Property.

**“Maximum Special Tax A”** means for each Assessor’s Parcel of Taxable Property, the maximum Special Tax A, determined in accordance with Section C that can be levied in any Fiscal Year on such Assessor’s Parcel.

**“Maximum Special Tax B”** means for each Assessor’s Parcel of Developed Property, the maximum amount of Special Tax B, determined in accordance with Section I that can be levied in any Fiscal Year on such Assessor’s Parcel.

**“Multifamily Residential Property”** means all Parcels of Developed Property for which a building permit has been issued for the purpose of constructing a building or buildings comprised of attached Units available for rental by the general public, not for sale to an end user, and under common management, as determined by the Administrator.

**“Non-Residential Property”** means all Assessor’s Parcels of Developed Property for which a building permit was issued for any type of non-residential use.

**“Partial Prepayment Amount”** means the amount required to prepay a portion of the Special Tax A obligation for an Assessor’s Parcel, as described in Section H.

**“Prepayment Amount”** means the amount required to prepay the Special Tax A obligation in full for an Assessor’s Parcel, as described in Section G.

**“Proportionately”** means for Special Tax A that the ratio of the Annual Special Tax A levy to the applicable Assigned Annual Special Tax A is equal for all applicable Assessor’s Parcels. In the case of Special Tax B, means that the ratio of the Annual Special Tax B levy to the applicable Maximum Special Tax B is equal for all applicable Assessor’s Parcels. In case of Developed Property subject to the apportionment of the Annual Special Tax A under Step Four of Section F, “Proportionately” means that the quotient of (a) Annual Special Tax A less the Assigned Annual Special Tax A divided by (b) the Backup Annual Special Tax A less the Assigned Annual Special Tax A, is equal for all applicable Assessor’s Parcels.

**“Provisional Undeveloped Property”** means all Assessor’s Parcels of Taxable Property subject to Special Tax A that would otherwise be classified as Exempt Property pursuant to the provisions of Section L, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage set forth in Section L.

**“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 dwelling units, which is not Multifamily Residential Property.

**“Services”** means services permitted under the Act including, without limitation, maintenance of parks, parkways and open space, flood and storm protection services the operation of storm drainage systems, and public safety services. All of the services financed must be provided within the boundaries of or for the benefit of CFD No. 2026-1.

**“Special Tax A”** means any of the special taxes authorized to be levied on Taxable Property within Improvement Area No. 2 by CFD No. 2026-1 pursuant to the Act to fund the Special Tax A Requirement.

**“Special Tax B”** means the special tax authorized to be levied in each Fiscal Year on each Assessor’s Parcel of Developed Property to fund the Special Tax B Requirement.

**“Special Tax A Requirement”** means, subject to the Maximum Special Tax A, the amount required in any Fiscal Year to pay: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses (apportioned between Special Tax A and Special Tax B), (iii) the costs associated with the release of funds from an escrow account, (iv) any amount required to establish or replenish any reserve funds established in association with the Bonds, and (v) the collection or accumulation of funds for the acquisition or construction of facilities or payment of fees authorized by CFD No. 2026-1 by the levy on Developed Property of the Assigned Annual Special Tax A, provided that the inclusion of such amount does not cause an increase in the levy of Special Tax A on Approved Property or Undeveloped Property as set forth in Step Two and Three of Section F, less (vi) any amount available to pay debt service or other periodic costs on the Bonds pursuant to any applicable fiscal agent agreement, or trust agreement.

**“Special Tax B Requirement”** means, subject to the Maximum Special Tax B, that amount to be collected in any Fiscal Year to pay for Services as required to meet the needs of CFD No. 2026-1 in both the current Fiscal Year and the next Fiscal Year. The costs of Services to be covered shall be the direct costs for (i) Services, and (ii) Administrative Expenses (apportioned between Special Tax A and Special Tax B); less (iii) a credit for funds available to reduce the Annual Special Tax B levy, if any, as determined by the Administrator. Under no circumstances shall the Special Tax B Requirement include funds for Bonds.

**“Taxable Property”** means all Assessor’s Parcels within Improvement Area No. 2, which are not Exempt Property.

**“Undeveloped Property”** means all Assessor’s Parcels of Taxable Property which are not Developed Property, Approved Property or Provisional Undeveloped Property.

**“Unit”** means any residential structure.

**SECTION B  
CLASSIFICATION OF ASSESSOR'S PARCELS**

Each Fiscal Year, beginning with Fiscal Year 2026-27, each Assessor's Parcel within Improvement Area No. 2 shall be classified as Taxable Property or Exempt Property. In addition, each Assessor's Parcel of Taxable Property shall be further classified as Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property. In addition, each Assessor's Parcel of Developed Property shall further be classified as Residential Property, Multifamily Residential Property, or Non-Residential Property.

**SECTION C  
MAXIMUM SPECIAL TAX A**

**1. Developed Property**

The Maximum Special Tax A for each Assessor's Parcel of Residential Property, Multifamily Residential Property, or Non-Residential Property in any Fiscal Year shall be the greater of (i) the Assigned Annual Special Tax A or (ii) the Backup Annual Special Tax A.

**2. Approved Property, Undeveloped Property, and Provisional Undeveloped Property**

The Maximum Special Tax A for each Assessor's Parcel classified as Approved Property, Undeveloped Property, or Provisional Undeveloped Property in any Fiscal Year shall be the Assigned Annual Special Tax A.

**SECTION D  
ASSIGNED ANNUAL SPECIAL TAX A**

**1. Developed Property**

Each Fiscal Year, each Assessor's Parcel of Residential Property, Multifamily Residential Property, or Non-Residential Property shall be subject to an Assigned Annual Special Tax A.

The Assigned Annual Special Tax A applicable to an Assessor's Parcel of Developed Property shall be determined using the Table below.

**TABLE 1  
ASSIGNED ANNUAL SPECIAL TAX A RATES  
FOR DEVELOPED PROPERTY**

Land Use Type	Building Square Footage	Rate
Residential Property	Less than 1,350	\$3,875 per Unit
Residential Property	1,350 – 1,599	\$4,005 per Unit
Residential Property	1,600 – 1,849	\$4,135 per Unit
Residential Property	1,850 – 2,099	\$4,265 per Unit
Residential Property	Greater than 2,099	\$4,395 per Unit
Multifamily Residential Property	N/A	\$231,863 per Acre
Non-Residential Property	N/A	\$231,863 per Acre

**2. Approved Property, Undeveloped Property, and Provisional Undeveloped Property**

Each Fiscal Year, each Assessor’s Parcel of Approved Property, Undeveloped Property, and Provisional Undeveloped Property shall be subject to an Assigned Annual Special Tax A. The Assigned Annual Special Tax A rate for an Assessor’s Parcel classified as Approved Property, Undeveloped Property, or Provisional Undeveloped Property shall be determined pursuant to Table 2 below:

**TABLE 2  
ASSIGNED ANNUAL SPECIAL TAX A RATES  
FOR APPROVED PROPERTY, UNDEVELOPED PROPERTY,  
AND PROVISIONAL UNDEVELOPED PROPERTY**

Minimum Taxable Acreage	Rate
1.76	\$231,863 per Acre

**SECTION E  
BACKUP ANNUAL SPECIAL TAX A**

At the time a Final Map is recorded, the City shall determine the Backup Annual Special Tax A for all Assessor’s Parcels classified or reasonably expected to be classified as Residential Property within such Final Map area shall be determined by multiplying the Maximum Special Tax A rate for Undeveloped Property by the total Acreage of Taxable Property, excluding the Provisional Undeveloped Property Acreage area, or Multifamily Residential Property and/or Non-Residential Property Acreage area if any, in such Final Map area and any Acreage reasonably expected to be classified as Exempt Property, and dividing such amount by the total number of such Assessor’s Parcels of Residential Property. In no circumstance shall the total Acreage of Taxable Property in less than the acreage set forth in Table 2.

The Backup Annual Special Tax A for Multifamily Residential Property shall be its Annual Assigned Special Tax A Rate.

Notwithstanding the foregoing, if Assessor's Parcels which are classified or to be classified as Residential Property or Multifamily Residential Property are subsequently changed by recordation of a lot line adjustment, Final Map amendment, new Final Map or similar instrument, then the Backup Annual Special Tax A shall be recalculated within the area that has been changed to equal the amount of Backup Annual Special Tax A that would have been generated if such change did not take place.

## **SECTION F METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX A**

Commencing Fiscal Year 2026-27 and for each subsequent Fiscal Year, the City Council shall levy Annual Special Tax A in accordance with the following steps:

- Step One: The Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Annual Special Tax A rates in Table 1 to satisfy the Special Tax A Requirement.
- Step Two: If additional moneys are needed to satisfy the Special Tax A Requirement after the first step has been completed, the Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Approved Property at up to 100% of the applicable Assigned Annual Special Tax A to satisfy the Special Tax A Requirement.
- Step Three: If additional moneys are needed to satisfy the Special Tax A Requirement after the first two steps have been completed, the Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Assigned Annual Special Tax A for Undeveloped Property applicable to each such Assessor's Parcel as needed to satisfy the Special Tax A Requirement.
- Step Four: If additional moneys are needed to satisfy the Special Tax A Requirement after the first three steps have been completed, then the Annual Special Tax A on each Assessor's Parcel of Developed Property for which the Maximum Special Tax A is the Backup Annual Special Tax A shall be increased Proportionately from the Assigned Annual Special Tax A up to 100% of the Backup Annual Special Tax A as needed to satisfy the Special Tax A Requirement.
- Step Five: If additional moneys are needed to satisfy the Special Tax A Requirement after the first four steps have been completed, the Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Provisional Undeveloped Property up to 100% of the Assigned Annual Special Tax A applicable to each such Assessor's Parcel as needed to satisfy the Special Tax A Requirement.

## **SECTION G PREPAYMENT OF ANNUAL SPECIAL TAX A**

The following definition applies to this Section G:

**“Outstanding Bonds”** means all previously issued Bonds issued and secured by the levy of Special Tax A which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of Maximum Special Tax A.

**Prepayment:**

The Special Tax A obligation of an Assessor's Parcel of Developed Property, an Assessor's Parcel of Approved Property, an Assessor's Parcel of Undeveloped Property, and an Assessor's Parcel of Provisional Undeveloped Property may be prepaid in full, provided that there are no delinquent Special Tax A, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Special Tax A obligation would be prepaid. The Prepayment Amount for an Assessor's Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor's Parcel intending to prepay the Special Tax A obligation shall provide the City with written notice of intent to prepay, and within five (5) days of receipt of such notice, the City shall notify such owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by Improvement Area No. 2 in calculating the proper amount of a prepayment. Within fifteen (15) days of receipt of such non-refundable deposit, the City shall notify such owner of the prepayment amount of such Assessor's Parcel.

The Prepayment Amount for each applicable Assessor's Parcel shall be calculated according to the following formula (capitalized terms defined below):

$$\begin{array}{rcl} & & \text{Payoff Amount} \\ \text{plus} & & \text{Administrative Fee} \\ \text{equals} & & \text{Prepayment Amount} \end{array}$$

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For an Assessor's Parcel of Developed Property and Provisional Undeveloped Property, compute the Assigned Annual Special Tax A applicable to the Assessor's Parcel. For an Assessor's Parcel of Approved Property, compute the Assigned Annual Special Tax A as though it was already designated as Developed Property based upon the building permit issued or expected to be issued for that Assessor's Parcel. For an Assessor's Parcel of Undeveloped Property compute the Assigned Annual Special Tax A as though it was already designated as Developed Property based upon the building permit issued or expected to be issued for that Assessor's Parcel.

For each Assessor's Parcel of Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property to be prepaid, compute the present value of the remaining Annual Assigned Special Tax A payments using a discount rate that is equal to the weighted average interest rate on the Outstanding Bonds and the remaining term of the Outstanding Bonds determined by a Financial Advisor selected by the City. For any prepayment that occurs prior to the first issuance of Bonds, the discount rate used in this calculation shall be 5.5% and the term shall be the period in which the Special Tax A may be levied as provided in Section K less ten years. This is the "Payoff Amount."

2. For each Assessor's Parcel of Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property to be prepaid, divide the Assigned Annual Special Tax A computed pursuant to the first paragraph in paragraph 1 of this Section G for such Assessor's Parcel by

the sum of the estimated Assigned Annual Special Tax applicable to all Assessor's Parcels of Taxable Property at build out, as reasonably determined by the City.

3. Multiply the quotient computed pursuant to paragraph 2 by the Outstanding Bonds. The product shall be the "Bond Redemption Amount".
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed with the proceeds of the Bond Redemption Amount. This product is the "Redemption Premium."
5. Compute the amount needed to pay interest on the Bond Redemption Amount to be redeemed with the proceeds of the Prepayment Amount until the earliest call date for the Outstanding Bonds.
6. Determine the amount of interest earnings to be derived from the reinvestment of the Bond Redemption Amount plus the Redemption Premium in State and Local Government Series Treasury Obligations until the earliest call date for the Outstanding Bonds.
7. Subtract the amount computed pursuant to paragraph 6 from the amount computed pursuant to paragraph 5. This difference is the "Defeasance Cost."
8. Estimate the administrative fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption. This amount is the "Administrative Fee."
9. Calculate the "Reserve Fund Credit" as the lesser of: (a) the expected reduction in the applicable reserve requirements, if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirements in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve funds on the prepayment date. Notwithstanding the foregoing, if the reserve fund requirement is satisfied by a surety bond or other instrument at the time of the prepayment, then no Reserve Fund Credit shall be given. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than zero.
10. The "Amount to Call Bonds" is equal to the sum of the Bond Redemption Amount, the Redemption Premium, and the Defeasance Cost, less the Reserve Fund Credit (the Amount to Call Bonds will be transferred to the debt service fund and used to defease or call bonds).
11. The Prepayment Amount is the sum of the Payoff Amount and the Administrative Fee.

12. From the Prepayment Amount, the Amount to Call Bonds will be transferred to the debt service fund and used to defease or call bonds pursuant to the fiscal agent agreement or escrow agreement; the Administrative Fee will be transferred to the Administrative Fund or functionally equivalent fund or account pursuant to the fiscal agent agreement and used to pay administrative expenses; the remainder will be transferred to the Surplus Taxes Fund or functionally equivalent fund or account pursuant to the fiscal agent agreement.

With respect to the Special Tax A obligation that is prepaid pursuant to this Section G, the City Council shall indicate in the records of Improvement Area No. 2 that there has been a prepayment of the Special Tax A obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax A obligation and the release of the Special Tax A lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax A shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Special Tax A that may be levied on Taxable Property after such full prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all Outstanding Bonds in each future Fiscal Year.

**SECTION H**  
**PARTIAL PREPAYMENT OF ANNUAL SPECIAL TAX A**

The Special Tax A obligation of an Assessor's Parcel of Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property, for which a building permit has been issued or is expected to be issued, as calculated in this Section H below, may be partially prepaid, provided that there are no delinquent Special Tax A, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Special Tax A obligation would be prepaid.

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = P_G \times F$$

The terms above have the following meanings:

- PP = the Partial Prepayment Amount.
- P<sub>G</sub> = the Prepayment Amount calculated according to Section G.
- F = the percent by which the owner of the Assessor's Parcel is partially prepaying the Special Tax A obligation.

With respect to any Assessor's Parcel that is partially prepaid, the City Council shall indicate in the records of Improvement Area No. 2 that there has been a partial prepayment of the Special Tax A obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such partial prepayment of the Special Tax A obligation, to indicate the partial prepayment of the Special Tax A obligation and the partial release of the Special Tax A lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Special Tax A shall cease.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Tax A that may be levied on Taxable Property after such partial prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

**SECTION I  
MAXIMUM SPECIAL TAX B**

**1. Developed Property**

**Maximum Special Tax B**

The Maximum Special Tax B for each Assessor's Parcel of Developed Property for each Land Use Type is shown in the Table below.

On each July 1, commencing July 1, 2026, the Maximum Special Tax for Residential Property for the prior Fiscal Year shall be increased by (i) an amount equal to the percentage change increase in the Consumer Price Index for the twelve month period ending in March of the prior Fiscal Year, not to exceed 7%.

The Maximum Special Tax for Multifamily Residential Property and Non-Residential Property shall not increase.

**TABLE 3  
MAXIMUM SPECIAL TAX B RATES  
FOR DEVELOPED PROPERTY**

<b>Land Use Type</b>	<b>Building Square Footage</b>	<b>Rate</b>
Residential Property	Less than 1,350	\$572 per Unit
Residential Property	1,350 – 1,599	\$584 per Unit
Residential Property	1,600 – 1,849	\$632 per Unit
Residential Property	1,850 – 2,099	\$650 per Unit
Residential Property	Greater than 2,099	\$702 per Unit
Multifamily Residential Property	N/A	\$35,521 per Acre
Non-Residential Property	N/A	\$35,521 per Acre

**2. Approved Property, Undeveloped Property, and Provisional Undeveloped Property**

No Special Tax B shall be levied on Approved Property, Undeveloped Property, or Provisional Undeveloped Property.

**3. Method of Apportionment of the Maximum Special Tax B**

Commencing with Fiscal Year 2026-27 and for each following Fiscal Year, the City shall levy the Special Tax B at up to 100% of the applicable Maximum Special Tax B, proportionately on each Assessor's Parcel of Developed Property until the amount of Special Tax B equals the Special Tax B Requirement.

**SECTION J  
PREPAYMENT OF ANNUAL SPECIAL TAX B**

Special Tax B cannot be prepaid.

**SECTION K  
TERM OF SPECIAL TAX A AND SPECIAL TAX B**

For each Fiscal Year that any Bonds are outstanding the Annual Special Tax A shall be levied on all Assessor's Parcels subject to the Annual Special Tax A. If any delinquent Annual Special Tax A amounts remain uncollected prior to or after all Bonds are retired, the Annual Special Tax A may be levied to the extent necessary to reimburse Improvement Area No. 2 for uncollected Annual Special Tax A amounts associated with the levy of such Annual Special Tax A amounts, but not later than the 2069-70 Fiscal Year.

Special Tax B shall be levied in perpetuity as long as the Services are being provided.

**SECTION L  
EXEMPT PROPERTY**

The City shall classify as Exempt Property, (i) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by the State of California, Federal or other local governments, including school districts, (ii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iii) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by a homeowners' association, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Assessor's Parcels which are privately owned and are encumbered by or restricted solely for public uses, or (vi) other types of public uses determined by the City Council.

Notwithstanding the foregoing, the City Council for purposes of levying the Special Tax A shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property to less than the Acreage amounts listed in Table 4 below. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Acreage amounts listed in Table 4 will be classified as Provisional Undeveloped Property, and will be subject to the levy of Special Tax A pursuant to Step Five in Section F.

**TABLE 4  
MINIMUM TAXABLE ACRES**

<b>Acres</b>
1.76

**SECTION M  
APPEALS AND INTERPRETATIONS**

Any property owner claiming that the amount or application of the Special Tax A or Special Tax B is not correct may file a written notice of appeal with the City Council not later than twelve months after having paid the first installment of the Special Tax A or Special Tax B that is disputed. A representative(s) of CFD No. 2026-1 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of Special Tax A or Special Tax B, and rule on the appeal. If the representative's decision requires that the Special Tax A or Special Tax B for an Assessor's Parcel be modified or changed in favor of the property owner,

The representative shall take any of the following actions, in order of priority, to correct the error:

(i) if possible, amend the Special Tax levy on the property owner's Assessor's Parcel(s) for the current Fiscal Year, if prior to the payment date,

(ii) require the CFD to reimburse the property owner for the amount of the overpayment to the extent of available CFD funds, or

(iii) grant a credit against, eliminate, or reduce the future Special Taxes on the property owner's Assessor's Parcel(s) in the amount of the overpayment.

The City may interpret this Rate and Method of Apportionment of Special Tax for purposes of clarifying any ambiguity and make determinations relative to the amount of Administrative Expenses.

**SECTION N  
MANNER OF COLLECTION**

The Annual Special Tax A or Annual Special Tax B shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that Improvement Area No. 2 may collect Annual Special Tax A and Annual Special Tax B at a different time or in a different manner if necessary to meet its financial obligations.

**RATE AND METHOD OF APPORTIONMENT FOR  
COMMUNITY FACILITIES DISTRICT NO. 2026-1  
OF THE CITY OF CHINO  
(IMPROVEMENT AREA NO. 3)**

The following sets forth the Rate and Method of Apportionment for the levy and collection of Annual Special Tax A and Annual Special Tax B in Improvement Area No. 3 of the City of Chino ("City") Community Facilities District No. 2026-1 ("CFD No. 2026-1"). An Annual Special Tax A and Annual Special Tax B shall be levied on and collected in Improvement Area No. 3 of CFD No. 2026-1 each Fiscal Year, in an amount determined through the application of the Rate and Method of Apportionment described below. All of the real property within Improvement Area No. 3, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

**SECTION 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 the Assessor's Parcel Map, the land area as shown on the applicable Final Map, or if the land area is not shown on the applicable Final Map, the land area shall be calculated by the City Engineer.

**"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 any ordinary and necessary expenses allocable to the Special Tax A Requirement and to the Special Tax B Requirement which are incurred by the City on behalf of Improvement Area No. 3 related to the determination of the amount of the levy of Special Tax A and Special Tax B, the collection of Special Tax A and Special Tax B including the expenses of collecting delinquencies, the administration of Bonds, the payment of salaries and benefits of any City employee whose duties are directly related to the administration of Improvement Area No. 3, and costs otherwise incurred in order to carry out the authorized purposes of CFD No. 2026-1 relating to Improvement Area No. 3.

**"Administrator"** means an official of the City, or designee thereof, responsible for, among other things, determining the annual amount of the levy and collection of the Special Tax A and Special Tax B.

**"Annual Special Tax A"** means for each Assessor's Parcel, the Special Tax A actually levied in a given Fiscal Year on any Assessor's Parcel.

**"Annual Special Tax B"** means for each Assessor's Parcel, the Special Tax B actually levied in a given Fiscal Year on any Assessor's Parcel.

**"Approved Property"** means all Assessor's Parcels of Taxable Property other than Provisional Undeveloped Property: (i) that are included in a Final Map that was recorded prior to the January 1st preceding the Fiscal Year in which the Special Tax A is being levied, and (ii) that have not been issued a building permit on or before March 1st preceding the Fiscal Year in which the Special Tax A is being levied.

**“Assessor’s Parcel”** means a lot or parcel of land designated on an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number within the boundaries of Improvement Area No. 3.

**“Assessor’s Parcel Map”** means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

**“Assessor’s Parcel Number”** means that number assigned to a lot or parcel of land by the County Assessor for purposes of identification.

**“Assigned Annual Special Tax A”** means the Special Tax A of that name described in Section D below.

**“Backup Annual Special Tax A”** means the Special Tax A of that name described in Section E below.

**“Bonds”** means those bonds issued by or on behalf of CFD No. 2026-1 Improvement Area No. 3, or any refunding thereof, to which Special Tax A within Improvement Area No. 3 has been pledged.

**“Boundary Map”** means a recorded map of the CFD No. 2026-1 which indicates the boundaries of Improvement Area No. 3 of CFD No. 2026-1.

**“Building Square Footage” or “BSF”** means the square footage of assessable internal living space, exclusive of garages or other structures not used as living space, as determined by reference to the building permit application for such Assessor’s Parcel and subject to verification by City Staff.

**“Calendar Year”** means the period commencing January 1 of any year and ending the following December 31.

**“CFD No. 2026-1”** means Community Facilities District No. 2026-1 Improvement Area No. 3 established by the City under the Act.

**“City”** means the City of Chino, or its designee.

**“City Council”** means the City Council of the City of Chino, acting as the legislative body of CFD No. 2026-1, or its designee.

**“Consumer Price Index” or “CPI”** means the index published monthly by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Riverside-San Bernardino-Ontario area. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the Administrator that is reasonably comparable to the Consumer Price Index for the Riverside-San Bernardino-Ontario.

**“County”** means the County of San Bernardino.

**“Developed Property”** means all Assessor’s Parcels of Taxable Property other than Provisional Undeveloped Property that: (i) are included in a Final Map that was recorded prior to January 1st preceding the Fiscal Year in which the Special Tax A is being levied, and (ii) a building permit was issued on or before March 1st preceding the Fiscal Year in which the Special Tax A or Special Tax B is being levied.

**“Exempt Property”** means all Assessor’s Parcels designated as being exempt from both Special Tax A and Special Tax B as provided for in Section L.

**“Final Map”** means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, 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.

**“Fiscal Year”** means the period commencing July 1 of any year and ending the following June 30.

**“Improvement Area No. 3”** means Improvement Area No. 3 of CFD No. 2026-1, as identified on the boundary map for CFD No. 2026-1 Improvement Area No. 3.

**“Land Use Type”** means Residential Property, Multifamily Residential Property, or Non-Residential Property.

**“Maximum Special Tax A”** means for each Assessor’s Parcel of Taxable Property, the maximum Special Tax A, determined in accordance with Section C that can be levied in any Fiscal Year on such Assessor’s Parcel.

**“Maximum Special Tax B”** means for each Assessor’s Parcel of Developed Property, the maximum amount of Special Tax B, determined in accordance with Section I that can be levied in any Fiscal Year on such Assessor’s Parcel.

**“Multifamily Residential Property”** means all Parcels of Developed Property for which a building permit has been issued for the purpose of constructing a building or buildings comprised of attached Units available for rental by the general public, not for sale to an end user, and under common management, as determined by the Administrator.

**“Non-Residential Property”** means all Assessor’s Parcels of Developed Property for which a building permit was issued for any type of non-residential use.

**“Partial Prepayment Amount”** means the amount required to prepay a portion of the Special Tax A obligation for an Assessor’s Parcel, as described in Section H.

**“Prepayment Amount”** means the amount required to prepay the Special Tax A obligation in full for an Assessor’s Parcel, as described in Section G.

**“Proportionately”** means for Special Tax A that the ratio of the Annual Special Tax A levy to the applicable Assigned Annual Special Tax A is equal for all applicable Assessor’s Parcels. In the case of Special Tax B, means that the ratio of the Annual Special Tax B levy to the applicable Maximum Special Tax B is equal for all applicable Assessor’s Parcels. In case of Developed Property subject to the apportionment of the Annual Special Tax A under Step Four of Section F, “Proportionately” means that the quotient of (a) Annual Special Tax A less the Assigned Annual Special Tax A divided by (b) the Backup Annual Special Tax A less the Assigned Annual Special Tax A, is equal for all applicable Assessor’s Parcels.

**“Provisional Undeveloped Property”** means all Assessor’s Parcels of Taxable Property subject to Special Tax A that would otherwise be classified as Exempt Property pursuant to the provisions

of Section L, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required minimum Acreage set forth in Section L.

**“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 dwelling units, which is not Multifamily Residential Property.

**“Services”** means services permitted under the Act including, without limitation, maintenance of parks, parkways and open space, flood and storm protection services the operation of storm drainage systems, and public safety services. All of the services financed must be provided within the boundaries of or for the benefit of CFD No. 2026-1.

**“Special Tax A”** means any of the special taxes authorized to be levied on Taxable Property within Improvement Area No. 3 by CFD No. 2026-1 pursuant to the Act to fund the Special Tax A Requirement.

**“Special Tax B”** means the special tax authorized to be levied in each Fiscal Year on each Assessor’s Parcel of Developed Property to fund the Special Tax B Requirement.

**“Special Tax A Requirement”** means, subject to the Maximum Special Tax A, the amount required in any Fiscal Year to pay: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses (apportioned between Special Tax A and Special Tax B), (iii) the costs associated with the release of funds from an escrow account, (iv) any amount required to establish or replenish any reserve funds established in association with the Bonds, and (v) the collection or accumulation of funds for the acquisition or construction of facilities or payment of fees authorized by CFD No. 2026-1 by the levy on Developed Property of the Assigned Annual Special Tax A, provided that the inclusion of such amount does not cause an increase in the levy of Special Tax A on Approved Property or Undeveloped Property as set forth in Step Two and Three of Section F, less (vi) any amount available to pay debt service or other periodic costs on the Bonds pursuant to any applicable fiscal agent agreement, or trust agreement.

**“Special Tax B Requirement”** means, subject to the Maximum Special Tax B, that amount to be collected in any Fiscal Year to pay for Services as required to meet the needs of CFD No. 2026-1 in both the current Fiscal Year and the next Fiscal Year. The costs of Services to be covered shall be the direct costs for (i) Services, and (ii) Administrative Expenses (apportioned between Special Tax A and Special Tax B); less (iii) a credit for funds available to reduce the Annual Special Tax B levy, if any, as determined by the Administrator. Under no circumstances shall the Special Tax B Requirement include funds for Bonds.

**“Taxable Property”** means all Assessor’s Parcels within Improvement Area No. 3, which are not Exempt Property.

**“Undeveloped Property”** means all Assessor’s Parcels of Taxable Property which are not Developed Property, Approved Property or Provisional Undeveloped Property.

**“Unit”** means any residential structure.

## **SECTION B CLASSIFICATION OF ASSESSOR’S PARCELS**

Each Fiscal Year, beginning with Fiscal Year 2026-27, each Assessor's Parcel within Improvement Area No. 3 shall be classified as Taxable Property or Exempt Property. In addition, each Assessor's Parcel of Taxable Property shall be further classified as Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property. In addition, each Assessor's Parcel of Developed Property shall further be classified as Residential Property, Multifamily Residential Property, or Non-Residential Property.

**SECTION C  
MAXIMUM SPECIAL TAX A**

**1. Developed Property**

The Maximum Special Tax A for each Assessor's Parcel of Residential Property, Multifamily Residential Property, or Non-Residential Property in any Fiscal Year shall be the greater of (i) the Assigned Annual Special Tax A or (ii) the Backup Annual Special Tax A.

**2. Approved Property, Undeveloped Property, and Provisional Undeveloped Property**

The Maximum Special Tax A for each Assessor's Parcel classified as Approved Property, Undeveloped Property, or Provisional Undeveloped Property in any Fiscal Year shall be the Assigned Annual Special Tax A.

**SECTION D  
ASSIGNED ANNUAL SPECIAL TAX A**

**1. Developed Property**

Each Fiscal Year, each Assessor's Parcel of Residential Property, Multifamily Residential Property, or Non-Residential Property shall be subject to an Assigned Annual Special Tax A.

The Assigned Annual Special Tax A applicable to an Assessor's Parcel of Developed Property shall be determined using the Table below.

**TABLE 1  
ASSIGNED ANNUAL SPECIAL TAX A RATES  
FOR DEVELOPED PROPERTY**

Land Use Type	Building Square Footage	Rate
Residential Property	Less than 1,700	\$3,650 per Unit
Residential Property	1,700 – 1,799	\$3,755 per Unit
Residential Property	Greater than 1,799	\$3,860 per Unit
Multifamily Residential Property	N/A	\$226,726 per Acre
Non-Residential Property	N/A	\$226,726 per Acre

**2. Approved Property, Undeveloped Property, and Provisional Undeveloped Property**

Each Fiscal Year, each Assessor’s Parcel of Approved Property, Undeveloped Property, and Provisional Undeveloped Property shall be subject to an Assigned Annual Special Tax A. The Assigned Annual Special Tax A rate for an Assessor’s Parcel classified as Approved Property, Undeveloped Property, or Provisional Undeveloped Property shall be determined pursuant to Table 2 below:

**TABLE 2  
ASSIGNED ANNUAL SPECIAL TAX A RATES  
FOR APPROVED PROPERTY, UNDEVELOPED PROPERTY,  
AND PROVISIONAL UNDEVELOPED PROPERTY**

Minimum Taxable Acreage	Rate
2.29	\$226,726 per Acre

**SECTION E  
BACKUP ANNUAL SPECIAL TAX A**

At the time a Final Map is recorded, the City shall determine the Backup Annual Special Tax A for all Assessor’s Parcels classified or reasonably expected to be classified as Residential Property within such Final Map area shall be determined by multiplying the Maximum Special Tax A rate for Undeveloped Property by the total Acreage of Taxable Property, excluding the Provisional Undeveloped Property Acreage area, or Multifamily Residential Property and/or Non-Residential Property Acreage area if any, in such Final Map area and any Acreage reasonably expected to be classified as Exempt Property, and dividing such amount by the total number of such Assessor’s Parcels of Residential Property. In no circumstance shall the total Acreage of Taxable Property in less than the acreage set forth in Table 2.

The Backup Annual Special Tax A for Multifamily Residential Property shall be its Annual Assigned Special Tax A Rate.

Notwithstanding the foregoing, if Assessor’s Parcels which are classified or to be classified as Residential Property or Multifamily Residential Property are subsequently changed by recordation of a lot line adjustment, Final Map amendment, new Final Map or similar instrument, then the

Backup Annual Special Tax A shall be recalculated within the area that has been changed to equal the amount of Backup Annual Special Tax A that would have been generated if such change did not take place.

## **SECTION F METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX A**

Commencing Fiscal Year 2026-27 and for each subsequent Fiscal Year, the City Council shall levy Annual Special Tax A in accordance with the following steps:

- Step One: The Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Annual Special Tax A rates in Table 1 to satisfy the Special Tax A Requirement.
- Step Two: If additional moneys are needed to satisfy the Special Tax A Requirement after the first step has been completed, the Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Approved Property at up to 100% of the applicable Assigned Annual Special Tax A to satisfy the Special Tax A Requirement.
- Step Three: If additional moneys are needed to satisfy the Special Tax A Requirement after the first two steps have been completed, the Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Assigned Annual Special Tax A for Undeveloped Property applicable to each such Assessor's Parcel as needed to satisfy the Special Tax A Requirement.
- Step Four: If additional moneys are needed to satisfy the Special Tax A Requirement after the first three steps have been completed, then the Annual Special Tax A on each Assessor's Parcel of Developed Property for which the Maximum Special Tax A is the Backup Annual Special Tax A shall be increased Proportionately from the Assigned Annual Special Tax A up to 100% of the Backup Annual Special Tax A as needed to satisfy the Special Tax A Requirement.
- Step Five: If additional moneys are needed to satisfy the Special Tax A Requirement after the first four steps have been completed, the Annual Special Tax A shall be levied Proportionately on each Assessor's Parcel of Provisional Undeveloped Property up to 100% of the Assigned Annual Special Tax A applicable to each such Assessor's Parcel as needed to satisfy the Special Tax A Requirement.

## **SECTION G PREPAYMENT OF ANNUAL SPECIAL TAX A**

The following definition applies to this Section G:

**“Outstanding Bonds”** means all previously issued Bonds issued and secured by the levy of Special Tax A which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of Maximum Special Tax A.

**Prepayment:**

The Special Tax A obligation of an Assessor's Parcel of Developed Property, an Assessor's Parcel of Approved Property, an Assessor's Parcel of Undeveloped Property, and an Assessor's Parcel of Provisional Undeveloped Property may be prepaid in full, provided that there are no delinquent Special Tax A, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Special Tax A obligation would be prepaid. The Prepayment Amount for an Assessor's Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor's Parcel intending to prepay the Special Tax A obligation shall provide the City with written notice of intent to prepay, and within five (5) days of receipt of such notice, the City shall notify such owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by Improvement Area No. 3 in calculating the proper amount of a prepayment. Within fifteen (15) days of receipt of such non-refundable deposit, the City shall notify such owner of the prepayment amount of such Assessor's Parcel.

The Prepayment Amount for each applicable Assessor's Parcel shall be calculated according to the following formula (capitalized terms defined below):

$$\begin{array}{rcl} & & \text{Payoff Amount} \\ \text{plus} & & \text{Administrative Fee} \\ \text{equals} & & \text{Prepayment Amount} \end{array}$$

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For an Assessor's Parcel of Developed Property and Provisional Undeveloped Property, compute the Assigned Annual Special Tax A applicable to the Assessor's Parcel. For an Assessor's Parcel of Approved Property, compute the Assigned Annual Special Tax A as though it was already designated as Developed Property based upon the building permit issued or expected to be issued for that Assessor's Parcel. For an Assessor's Parcel of Undeveloped Property compute the Assigned Annual Special Tax A as though it was already designated as Developed Property based upon the building permit issued or expected to be issued for that Assessor's Parcel.

For each Assessor's Parcel of Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property to be prepaid, compute the present value of the remaining Annual Assigned Special Tax A payments using a discount rate that is equal to the weighted average interest rate on the Outstanding Bonds and the remaining term of the Outstanding Bonds determined by a Financial Advisor selected by the City. For any prepayment that occurs prior to the first issuance of Bonds, the discount rate used in this calculation shall be 5.5% and the term shall be the period in which the Special Tax A may be levied as provided in Section K less ten years. This is the "Payoff Amount."

2. For each Assessor's Parcel of Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property to be prepaid, divide the Assigned Annual Special Tax A computed pursuant to the first paragraph in paragraph 1 of this Section G for such Assessor's Parcel by the sum of the estimated Assigned Annual Special Tax applicable to all

Assessor's Parcels of Taxable Property at build out, as reasonably determined by the City.

3. Multiply the quotient computed pursuant to paragraph 2 by the Outstanding Bonds. The product shall be the "Bond Redemption Amount".
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed with the proceeds of the Bond Redemption Amount. This product is the "Redemption Premium."
5. Compute the amount needed to pay interest on the Bond Redemption Amount to be redeemed with the proceeds of the Prepayment Amount until the earliest call date for the Outstanding Bonds.
6. Determine the amount of interest earnings to be derived from the reinvestment of the Bond Redemption Amount plus the Redemption Premium in State and Local Government Series Treasury Obligations until the earliest call date for the Outstanding Bonds.
7. Subtract the amount computed pursuant to paragraph 6 from the amount computed pursuant to paragraph 5. This difference is the "Defeasance Cost."
8. Estimate the administrative fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption. This amount is the "Administrative Fee."
9. Calculate the "Reserve Fund Credit" as the lesser of: (a) the expected reduction in the applicable reserve requirements, if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirements in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve funds on the prepayment date. Notwithstanding the foregoing, if the reserve fund requirement is satisfied by a surety bond or other instrument at the time of the prepayment, then no Reserve Fund Credit shall be given. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than zero.
10. The "Amount to Call Bonds" is equal to the sum of the Bond Redemption Amount, the Redemption Premium, and the Defeasance Cost, less the Reserve Fund Credit (the Amount to Call Bonds will be transferred to the debt service fund and used to defease or call bonds).
11. The Prepayment Amount is the sum of the Payoff Amount and the Administrative Fee.
12. From the Prepayment Amount, the Amount to Call Bonds will be transferred to the debt service fund and used to defease or call bonds pursuant to the

fiscal agent agreement or escrow agreement; the Administrative Fee will be transferred to the Administrative Fund or functionally equivalent fund or account pursuant to the fiscal agent agreement and used to pay administrative expenses; the remainder will be transferred to the Surplus Taxes Fund or functionally equivalent fund or account pursuant to the fiscal agent agreement.

With respect to the Special Tax A obligation that is prepaid pursuant to this Section G, the City Council shall indicate in the records of Improvement Area No. 3 that there has been a prepayment of the Special Tax A obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax A obligation and the release of the Special Tax A lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax A shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Special Tax A that may be levied on Taxable Property after such full prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all Outstanding Bonds in each future Fiscal Year.

**SECTION H**  
**PARTIAL PREPAYMENT OF ANNUAL SPECIAL TAX A**

The Special Tax A obligation of an Assessor's Parcel of Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property, for which a building permit has been issued or is expected to be issued, as calculated in this Section H below, may be partially prepaid, provided that there are no delinquent Special Tax A, penalties, or interest charges outstanding with respect to such Assessor's Parcel at the time the Special Tax A obligation would be prepaid.

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = P_G \times F$$

The terms above have the following meanings:

- PP = the Partial Prepayment Amount.
- P<sub>G</sub> = the Prepayment Amount calculated according to Section G.
- F = the percent by which the owner of the Assessor's Parcel is partially prepaying the Special Tax A obligation.

With respect to any Assessor's Parcel that is partially prepaid, the City Council shall indicate in the records of Improvement Area No. 3 that there has been a partial prepayment of the Special Tax A obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such partial prepayment of the Special Tax A obligation, to indicate the partial prepayment of the Special Tax A obligation and the partial release of the Special Tax A lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Special Tax A shall cease.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Tax A that may be levied on Taxable Property after such partial prepayment, net of Administrative Expenses, shall be at least 1.1 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

**SECTION I  
MAXIMUM SPECIAL TAX B**

**1. Developed Property**

**Maximum Special Tax B**

The Maximum Special Tax B for each Assessor's Parcel of Developed Property for each Land Use Type is shown in the Table below.

On each July 1, commencing July 1, 2026, the Maximum Special Tax for Residential Property for the prior Fiscal Year shall be increased by (i) an amount equal to the percentage change increase in the Consumer Price Index for the twelve month period ending in March of the prior Fiscal Year, not to exceed 7%.

The Maximum Special Tax for Multifamily Residential Property and Non-Residential Property shall not increase.

**TABLE 3  
MAXIMUM SPECIAL TAX B RATES  
FOR DEVELOPED PROPERTY**

<b>Land Use Type</b>	<b>Building Square Footage</b>	<b>Rate</b>
Residential Property	Less than 1,700	\$633 per Unit
Residential Property	1,700 – 1,799	\$645 per Unit
Residential Property	Greater than 1,799	\$675 per Unit
Multifamily Residential Property	N/A	\$39,304 per Acre
Non-Residential Property	N/A	\$39,304 per Acre

**2. Approved Property, Undeveloped Property, and Provisional Undeveloped Property**

No Special Tax B shall be levied on Approved Property, Undeveloped Property, or Provisional Undeveloped Property.

**3. Method of Apportionment of the Maximum Special Tax B**

Commencing with Fiscal Year 2026-27 and for each following Fiscal Year, the City shall levy the Special Tax B at up to 100% of the applicable Maximum Special Tax B, proportionately on each Assessor's Parcel of Developed Property until the amount of Special Tax B equals the Special Tax B Requirement.

**SECTION J  
PREPAYMENT OF ANNUAL SPECIAL TAX B**

Special Tax B cannot be prepaid.

**SECTION K  
TERM OF SPECIAL TAX A AND SPECIAL TAX B**

For each Fiscal Year that any Bonds are outstanding the Annual Special Tax A shall be levied on all Assessor's Parcels subject to the Annual Special Tax A. If any delinquent Annual Special Tax A amounts remain uncollected prior to or after all Bonds are retired, the Annual Special Tax A may be levied to the extent necessary to reimburse Improvement Area No. 3 for uncollected Annual Special Tax A amounts associated with the levy of such Annual Special Tax A amounts, but not later than the 2069-70 Fiscal Year.

Special Tax B shall be levied in perpetuity as long as the Services are being provided.

**SECTION L  
EXEMPT PROPERTY**

The City shall classify as Exempt Property, (i) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by the State of California, Federal or other local governments, including school districts, (ii) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (iii) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by a homeowners' association, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Assessor's Parcels which are privately owned and are encumbered by or restricted solely for public uses, or (vi) other types of public uses determined by the City Council.

Notwithstanding the foregoing, the City Council for purposes of levying the Special Tax A shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of all Taxable Property to less than the Acreage amounts listed in Table 4 below. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Acreage amounts listed in Table 4 will be classified as Provisional Undeveloped Property, and will be subject to the levy of Special Tax A pursuant to Step Five in Section F.

**TABLE 4  
MINIMUM TAXABLE ACRES**

Acres
2.29

**SECTION M  
APPEALS AND INTERPRETATIONS**

Any property owner claiming that the amount or application of the Special Tax A or Special Tax B is not correct may file a written notice of appeal with the City Council not later than twelve months after having paid the first installment of the Special Tax A or Special Tax B that is disputed. A representative(s) of CFD No. 2026-1 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of Special Tax A or Special Tax B, and rule on the appeal. If the representative's decision requires that the Special Tax A or Special Tax B for an Assessor's Parcel be modified or changed in favor of the property owner,

The representative shall take any of the following actions, in order of priority, to correct the error:

(i) if possible, amend the Special Tax levy on the property owner's Assessor's Parcel(s) for the current Fiscal Year, if prior to the payment date,

(ii) require the CFD to reimburse the property owner for the amount of the overpayment to the extent of available CFD funds, or

(iii) grant a credit against, eliminate, or reduce the future Special Taxes on the property owner's Assessor's Parcel(s) in the amount of the overpayment.

The City may interpret this Rate and Method of Apportionment of Special Tax for purposes of clarifying any ambiguity and make determinations relative to the amount of Administrative Expenses.

**SECTION N  
MANNER OF COLLECTION**

The Annual Special Tax A or Annual Special Tax B shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that Improvement Area No. 3 may collect Annual Special Tax A and Annual Special Tax B at a different time or in a different manner if necessary to meet its financial obligations

**APPENDIX B**

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Recorded Boundary Map



Confirmed copy

# PROPOSED BOUNDARY MAP COMMUNITY FACILITIES DISTRICT NO. 2026-1 (THE MEADOWS) CITY OF CHINO SAN BERNARDINO COUNTY, STATE OF CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARY OF COMMUNITY FACILITIES DISTRICT NO. 2026-1 OF THE CITY OF CHINO, SAN BERNARDINO COUNTY, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF CHINO AT A REGULAR MEETING THEREOF, HELD ON THE 20 DAY OF January 2026, BY ITS RESOLUTION NO. 2026-006

Nancyaga  
CITY CLERK, CITY OF CHINO

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF CHINO THIS 22 DAY OF January 2026.

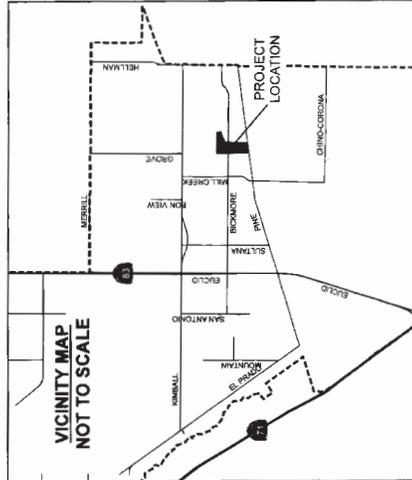
BY: Nancyaga  
CITY CLERK, CITY OF CHINO

### SAN BERNARDINO COUNTY RECORDER'S CERTIFICATE

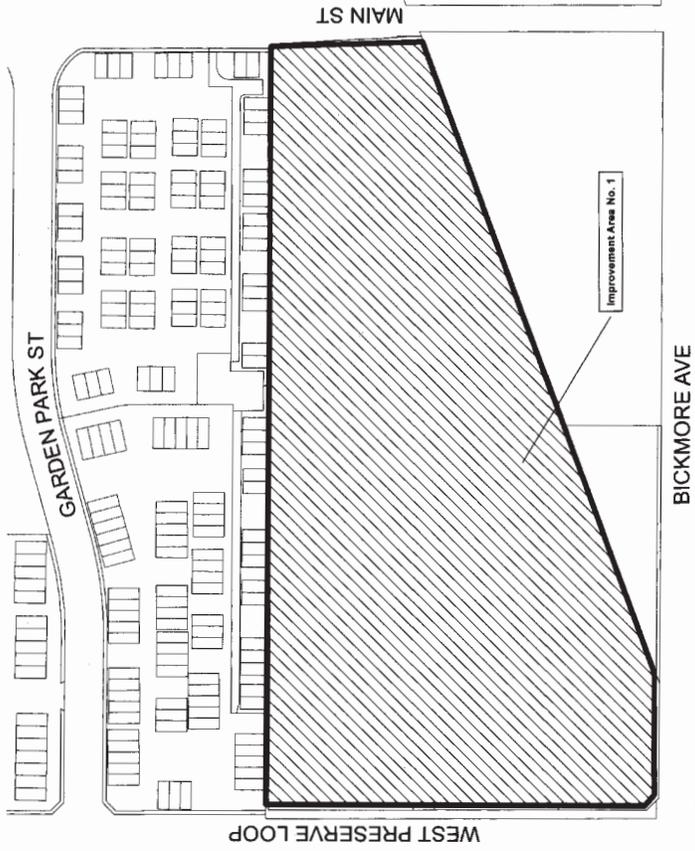
THIS MAP HAS BEEN FILED UNDER DOCUMENT NUMBER 2026-0021312 THIS 28 DAY OF January 2026 AT 2:07 P. M. IN BOOK 92 OF Assessment Maps AT PAGE 85-87 AT THE REQUEST OF CITY OF CHINO IN THE AMOUNT OF \$ 15.

JOSIE GONZALES  
ASSESSOR-RECORDER-COUNTY CLERK  
SAN BERNARDINO COUNTY

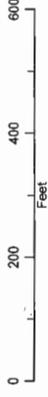
BY: Josie Gonzales  
DEPUTY RECORDER



THIS MAP CORRECTLY SHOWS THE LOT OR PARCEL OF LAND INCLUDED WITHIN THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE SAN BERNARDINO COUNTY ASSESSOR'S MAPS FOR FISCAL YEAR 2025-2026.



**PARCEL NUMBERS**  
1055-461-09-0000  
1055-621-02-0000  
1055-621-03-0000



### LEGEND

- PROPOSED BOUNDARY
- PARCEL BOUNDARY
- XXXX-XXX-XX-XXXX
- IMPROVEMENT AREA NO. 1
- IMPROVEMENT AREA NO. 2
- IMPROVEMENT AREA NO. 3

confirmed copy

# PROPOSED BOUNDARY MAP

## COMMUNITY FACILITIES DISTRICT NO. 2026-1 (THE MEADOWS)

### CITY OF CHINO

#### SAN BERNARDINO COUNTY, STATE OF CALIFORNIA

#### IMPROVEMENT AREA NO. 2 DESCRIPTION:

THOSE PORTIONS OF LOT 4 OF TRACT MAP NO. 20312-2, AS PER MAP FILED IN BOOK 370, PAGES 24 THROUGH 30, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

#### PARCEL 1:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 4 OF TRACT MAP NO. 20312-2, AS PER MAP FILED IN BOOK 370, PAGES 24 THROUGH 30, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, THENCE, SOUTH 40° 31' 04" WEST, 11.18 FEET; THENCE, SOUTH 81° 43' 43" WEST, 313.93 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 232.00 FEET; THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 08° 31' 51" AN ARC DISTANCE 34.54 FEET; THENCE, NORTH 89° 44' 26" WEST, 41.37 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 298.00 FEET, THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 08° 31' 51" AN ARC DISTANCE 44.37 FEET; THENCE, SOUTH 81° 43' 43" WEST, 132.04 FEET; THENCE, NORTH 49° 29' 06" WEST, 19.33 FEET; THENCE, NORTH 00° 41' 55" WEST, 141.14 FEET; THENCE, NORTH 89° 18' 54" EAST, 93.14 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 2017.00 FEET; THENCE, EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 07° 35' 10" AN ARC DISTANCE 267.06 FEET; THENCE NORTH 81° 43' 43" EAST, 226.62 FEET; THENCE SOUTH 00° 41' 36" EAST, 130.28 FEET TO THE POINT OF BEGINNING.

#### PARCEL 2:

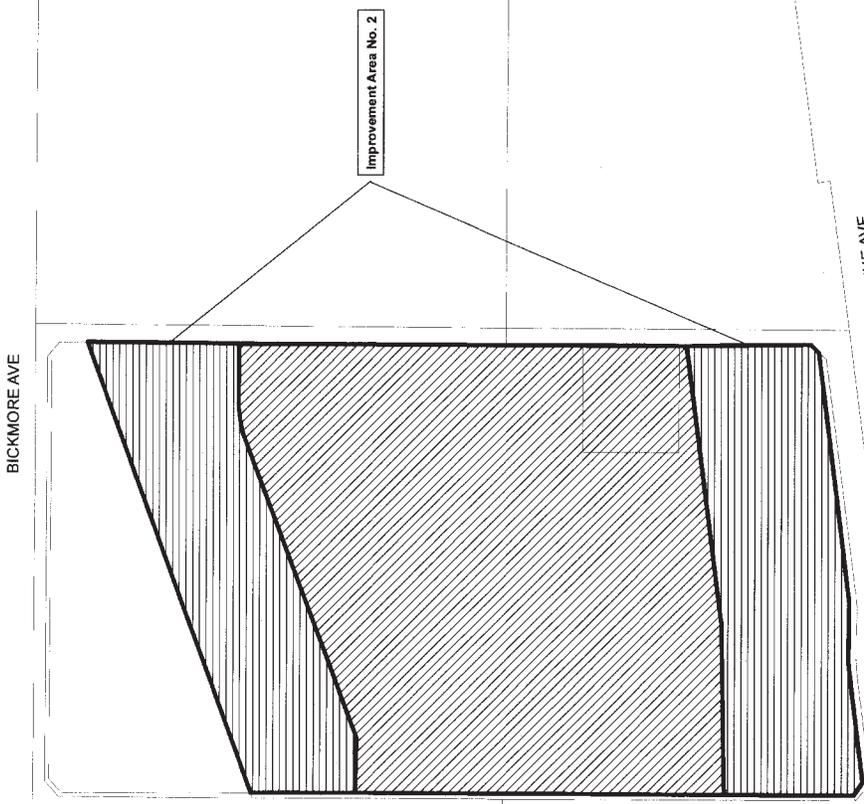
BEGINNING AT THE NORTHEAST CORNER OF LOT 4 OF TRACT MAP NO. 20312-2, AS PER MAP FILED IN BOOK 370, PAGES 24 THROUGH 30, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH 00° 41' 36" EAST, 187.93 FEET; THENCE SOUTH 89° 18' 24" WEST, 41.85 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 367.00 FEET; THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20° 24' 38" AN ARC DISTANCE 130.47 FEET; THENCE SOUTH 68° 53' 46" WEST, 393.99 FEET THENCE, SOUTH 89° 18' 05" WEST, 51.02 FEET; THENCE NORTH 00° 41' 55" WEST, 128.79 FEET; THENCE NORTH 68° 53' 46" EAST, 629.66 FEET TO THE POINT OF BEGINNING.

#### IMPROVEMENT AREA NO. 2

COMPRISED OF PARCEL 1055-621-02-0000 (PORTION), EAST OF WEST PRESERVE LOOP AND NORTH OF PINE AVENUE. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF IMPROVEMENT AREA NO. 2, REFER TO LOT 4 OF TRACT MAP NO. 20312-2, FILED IN BOOK 370, PAGES 24 THROUGH 30, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY.

#### PARCEL NUMBERS

1055-461-09-0000  
1055-621-02-0000  
1055-621-03-0000



#### LEGEND

-  PROPOSED BOUNDARY
-  PARCEL BOUNDARY
-  PARCEL NUMBER
-  IMPROVEMENT AREA NO. 1
-  IMPROVEMENT AREA NO. 2
-  IMPROVEMENT AREA NO. 3

THIS MAP CORRECTLY SHOWS THE LOT OR PARCEL OF LAND INCLUDED WITHIN THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE SAN BERNARDINO COUNTY ASSESSOR'S MAPS FOR FISCAL YEAR 2025-2026.



*Confirmed copy*

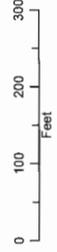
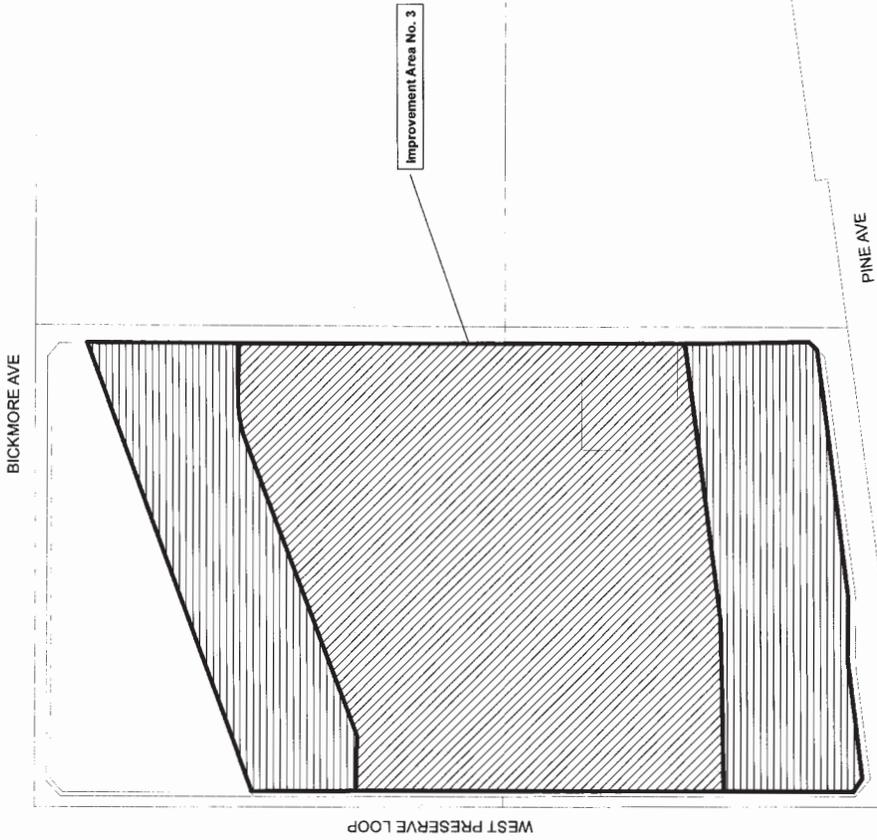
**PROPOSED BOUNDARY MAP**  
**COMMUNITY FACILITIES DISTRICT NO. 2026-1 (THE MEADOWS)**  
**CITY OF CHINO**  
**SAN BERNARDINO COUNTY, STATE OF CALIFORNIA**

**IMPROVEMENT AREA NO. 3 DESCRIPTION:**  
 THOSE PORTIONS OF LOTS 4 AND 5 OF TRACT MAP NO. 20312-2, AS PER MAP FILED IN BOOK 370, PAGES 24 THROUGH 30, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

**PARCEL 1:**  
 BEGINNING AT THE NORTHEAST CORNER OF LOT 4 OF TRACT MAP NO. 20312-2, AS PER MAP FILED IN BOOK 370, PAGES 24 THROUGH 30, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE SOUTH 00° 41' 36" EAST, 187.93 FEET TO THE TRUE POINT OF BEGINNING; THENCE SOUTH 00° 41' 36" EAST, 622.50 FEET THENCE SOUTH 81° 43' 43" WEST, 226.62 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE NORTHERLY AND HAVING A RADIUS OF 2017.00 FEET; THENCE WESTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 07° 35' 10" AN ARC DISTANCE 267.06 FEET; THENCE SOUTH 89° 18' 54" WEST, 93.14 FEET; THENCE NORTH 00° 41' 54.6" WEST, 509.54 FEET; THENCE NORTH 89° 18' 05" EAST, 45.02 FEET; THENCE NORTH 68° 53' 46" EAST, 393.99 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 367.00 FEET; THENCE EASTERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 20° 24' 38" AN ARC DISTANCE 130.47 FEET; THENCE NORTH 89° 18' 24" EAST, 41.85 FEET TO THE TRUE POINT OF BEGINNING.

**IMPROVEMENT AREA NO. 3**  
 COMPRISED OF PARCEL 1055-621-02-0000 (PORTION) AND PARCEL 1055-621-03-0000. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF IMPROVEMENT AREA 3, REFER TO LOTS 4 AND 5 OF TRACT MAP No. 20312-2, FILED IN BOOK 370, PAGES 24 THROUGH 30, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAN BERNARDINO COUNTY.

**PARCEL NUMBERS**  
 1055-461-09-0000  
 1055-621-02-0000  
 1055-621-03-0000



**LEGEND**

	PROPOSED BOUNDARY		IMPROVEMENT AREA NO. 1
	PARCEL BOUNDARY		IMPROVEMENT AREA NO. 2
	PARCEL NUMBER		IMPROVEMENT AREA NO. 3
	XXXX-XXX-XX-XXXX		

THIS MAP CORRECTLY SHOWS THE LOT OR PARCEL OF LAND INCLUDED WITHIN THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE SAN BERNARDINO COUNTY ASSESSOR'S MAPS FOR FISCAL YEAR 2025-2026.

