

RESOLUTION NO. 2019-09

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SQUAW VALLEY PUBLIC SERVICE DISTRICT OF INTENTION TO FORM A COMMUNITY FACILITIES DISTRICT AND LEVY A SPECIAL TAX IN THE SQUAW VALLEY PUBLIC SERVICE DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2019-1 (OLYMPIC MEADOW PRESERVE), TO FINANCE PUBLIC SERVICES AND THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES IN AND FOR SUCH COMMUNITY FACILITIES DISTRICT

WHEREAS, the Squaw Valley Public Service District ("SVPSD") is currently partnering with the Truckee Donner Land Trust to purchase the approximate 30-acre Poulsen property in the Olympic Meadow for public access and thereby preclude private development, protect Squaw Creek and the surrounding watershed, preserve sensitive ecological areas and provide community access, including creating trails for walking and hiking; and

WHEREAS, SVPSD engaged the Olympic Valley community to evaluate funding options to acquire and preserve the Poulsen property in the Olympic Meadow; and

WHEREAS, this Board of Directors of the Squaw Valley Public Service District (the "Board") has determined that placing a local revenue measure on the ballot and the successful approval of the measure would provide funding for the public use and enjoyment of the Olympic Meadow and allow access to funds all property owners in Olympic Valley, including commercial properties and the ski resort, to contribute to the cost of protecting the Olympic Meadow; and

WHEREAS, under the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code (the "Act"), the Board is authorized to establish a community facilities district, and to act as the legislative body for such community facilities district and to call for an election on a measure to fund the acquisition, improvement and maintenance and operation of the Olympic Meadow; and

WHEREAS, the Board desires to proceed with the establishment of a community facilities district and described herein for the purposes stated above and herein.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. It is proposed to establish a community facilities district within the Squaw Valley Public Service District under the terms of the Act to finance costs of public facilities and public services authorized by the Act.
2. The name proposed for the community facilities district is the Squaw Valley Public Service District Community Facilities District No. 2019-1 (Olympic Meadow Preserve) (the "CFD").
3. The proposed boundaries of the CFD are shown on the Map of Proposed Boundary of a proposed community facilities district to be known as Squaw Valley Public Service District Community Facilities District No. 2019-1 (Olympic Meadow Preserve), on file with the Board Secretary, which the Board approves as the map describing the extent of the territory included in the proposed CFD. The Board directs the Board Secretary to certify the adoption of this resolution on the face of the map, and to file a copy of the map in the office of the Board Secretary in accordance with Section 3111 of the California Streets and Highways Code and

within 15 days of the date of adoption of this resolution but in no event later than 15 days prior to the public hearing provided for herein, transmit the map to the County Recorder of the County of Placer for recording in the Book of Maps of Assessment and Community Facilities Districts in the office of the County Recorder of the County of Placer.

4. Except to the extent that funds are otherwise available to the CFD to pay for the Services and/or Facilities (each as defined below), including the principal and interest as it becomes due on bonds issued by the District for the CFD to construct and/or acquire the Facilities, a special tax ("Special Tax") sufficient to pay the costs thereof, secured by recordation of a continuing lien against all non-exempt real property in the CFD, will be levied annually within the CFD, and collected in the same manner as ordinary *ad valorem* property taxes, or in such other manner as the Board or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within the CFD, in sufficient detail to allow each landowner within the proposed CFD to estimate the maximum amount such owner will have to pay, are described in the Rate, Method of Apportionment and Manner of Collection of Special Tax attached hereto as Exhibit A and hereby incorporated herein (the "Rate and Method").

No portion of the Special Tax shall be levied in the CFD for Facilities after the fiscal year identified in the Rate and Method, except that a portion of the Special Tax for Facilities that was lawfully levied in or before the final tax year and that remains delinquent may be collected in subsequent years. Under no circumstances shall the portion of the Special Tax for Facilities levied against any parcel in the CFD for private residential purposes be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within the CFD, in contravention of the Act, including Section 53321(d) of the Act.

The Board hereby finds that the provisions of Sections 53313.6, 53313.7 and 53313.9 of the Act (relating to adjustments to *ad valorem* property taxes and schools financed by a community facilities district) are inapplicable to the proposed CFD.

5. The type of public facilities proposed to be financed by the CFD and pursuant to the Act shall consist of those items listed as facilities on Exhibit B hereto (the "Facilities") and the type of public services proposed to be financed by the CFD and pursuant to the Act shall consist of those items listed as services on Exhibit B hereto (the "Services"). The financing of the costs of Facilities may include, without limitation, the payment of principal of and interest on bonds or other indebtedness together with all direct, indirect periodic, and/or other related costs (including, without limitation, costs of administering the CFD, levying the Special Tax and administering the bonds, and establishing and replenishing reserve funds).

6. Except as may otherwise be provided by law or by the Rate and Method, all lands owned by any public entity, including the United States, the State of California and the District, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Tax. In the event that a portion of the property within the CFD shall become for any reason exempt, wholly or in part, from the levy of the Special Tax, the District will, on behalf of the CFD, increase the levy to the extent necessary upon the remaining property within the CFD which is not exempt in order to yield the required debt service payments and other annual expenses of the CFD, if any, subject to the provisions of the Rate and Method. It is anticipated that the Special Tax will be billed as a separate line item on the regular property tax bill. However, the District reserves the right, under Section 53340 of the Act, to utilize any method of collecting the Special Tax which it shall, from time to time, determine to be in the best interests of the District, including, but not limited to, direct billing by the District to the property owners and supplemental billing.

7. The levy of the Special Tax shall be subject to the approval of the qualified electors within the CFD at a special election. The qualified electors shall be the registered voters within the proposed CFD.

8. It is the intention of the Board, acting as the legislative body for the CFD, to cause bonds of the District in one or more series to be issued for the CFD pursuant to the Act to finance in whole or in part the construction and/or acquisition of the Facilities. The bonds issued in these proceedings shall be callable in accordance with the provisions of the Act, and shall be issued in such series and bear interest payable semi-annually or in such other manner as the Board shall determine, at a rate not to exceed the maximum rate of interest as may be authorized by applicable law at the time of sale of such bonds, shall mature not to exceed 40 years from the date of the issuance thereof and shall be as more specifically set forth in any resolution authorizing the issuance of such bonds.

9. The General Manager of the District, as the officer having charge and control of the Facilities and Services in and for the CFD, or the designee of such official, is hereby directed to cause and direct a study of said proposed CFD and the Facilities and Services, and to cause to be prepared for filing at the public hearing the report required by Section 53321.5 of the Act (the "CFD Report") presenting at least the following:

(a) A brief description of the Facilities and Services by type which will be required to adequately meet the needs of the CFD.

(b) An estimate of the fair and reasonable cost of the Facilities and Services, including the cost of acquisition of lands, rights-of-way and easements, any physical facilities required in conjunction therewith and incidental expenses in connection therewith, including the costs of the proposed bond financing and all other related costs as provided in Section 53345.3 of the Act.

The CFD Report shall be made a part of the record of the public hearing specified below.

10. The Board hereby sets Tuesday, June 25, 2019, at 8:30 a.m., in the Community Room at 305 Squaw Valley Road, Olympic Valley, California 96146, as the time and place when and where the Board, as legislative body for the CFD, will conduct a public hearing on the establishment of the CFD, and consider and finally determine whether the public interest, convenience and necessity require the formation of the CFD, and the levy of the Special Tax. At the hearing, testimony concerning the CFD, the extent of the CFD, or the furnishing of the particular types of public facilities and public services will be heard and protests will be considered from registered voters residing within the CFD and persons owning real property within the CFD. Written protests by the owners of a majority of the registered voters or land which would be subject to special taxation within the proposed CFD will require the suspension of proceedings for at least one year. Written protests must be filed with the Board Secretary at or before the time fixed for the hearing. If such protests are directed only against certain elements of the proposed improvements or proposed Special Tax, and if such protests constitute a majority protest, only those elements shall be deleted from the proceedings.

11. The Board Secretary is hereby directed to cause notice of the public hearing, attached hereto as Exhibit C, to be given by one-time publication in a newspaper published in the area of the CFD. The publication shall be completed at least 7 days before the date of the public hearing referenced above. The notice shall be substantially in the form specified in Section 53322

of the Act and attached hereto, with the form summarizing the provisions hereof hereby specifically approved.

12. The Board Secretary is hereby authorized and directed to provide a copy of the this Resolution to the Board of Supervisors of the County of Placer, in accordance with Section 53315.6 of the Act

13. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 24th day of May, 2019 by the following vote:

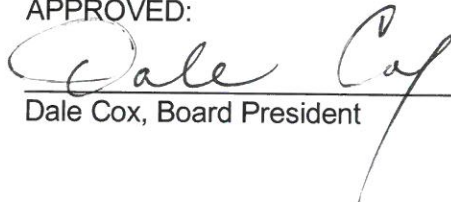
AYES: Directors Cox, Hudson, Ilfeld, Mercer

NOES:

ABSENT: Director Poulsen

ABSTAIN:

APPROVED:


Dale Cox, Board President

ATTEST:

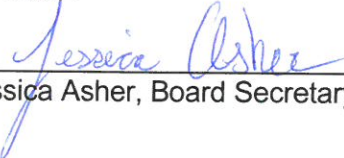

Jessica Asher, Board Secretary

EXHIBIT A

RATE AND METHOD OF APPORTIONMENT FOR SQUAW VALLEY PUBLIC SERVICE DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2019-1 (OLYMPIC MEADOW PRESERVE)

A Special Tax shall be levied and collected in the Squaw Valley Public Service District Community Facilities District No. 2019-1 (Olympic Meadow Preserve) ("CFD No. 2019-1") each Fiscal Year in an amount determined by the application of the procedures described below. All of the Taxable Property (defined below) in CFD No. 2019-1, unless exempted by law or the provisions thereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Accessory Dwelling Unit" means a secondary residential unit of limited size (e.g., granny cottage, second unit) that shares an Assessor's Parcel with a Unit of Residential Property.

"Acre or Acreage" means that acreage shown on the Assessor's Parcel Map or in the Assessor's Data for each Assessor's Parcel. In the event that the Assessor's Parcel Map or Assessor's Data shows no acreage, the Acreage for any Assessor's Parcel may be determined by the CFD Administrator based upon the applicable condominium plan, final map, parcel map or calculated using available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"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.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2019-1: the costs of any paying agents/fiscal agents/trustees related to Bond payments (including the fees and expenses of its counsel), banking and management; the costs of computing the Special Tax Requirement, the Special Taxes and of preparing the collection schedules for the Special Taxes; the costs of collecting the Special Taxes, including any charges levied by the County Auditor's Office, Tax Collector's Office or Treasurer's Office; the costs of the District or designee in complying with the disclosure requirements of the California Government Code (including the Act) and the federal securities laws; costs of responding to public inquiries regarding the Special Taxes; the costs of the District or designee related to an appeal of the Special Taxes or interpretation of the Rate and Method of Apportionment; amounts needed to pay rebate to the federal government related to Bonds; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Special Taxes in the District. Administrative Expenses shall also include an allocable share of the salaries of District staff and an allocable portion of District overhead costs relating to the foregoing, or costs of the District in any way related to the establishment or administration of the District. Administrative Expenses shall also include amounts estimated or advanced by the District or CFD No. 2019-1 for any other administrative purposes of CFD No. 2019-1.

"Assessor's Data" means Acreage or other Assessor's Parcel information contained in the records of the County Assessor.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the County Assessor of the County designating parcels by Assessor's Parcel Number.

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

"Authorized Facilities" means the public facilities authorized to be financed, in whole or in part, by CFD No. 2019-1, including by the proceeds of the CFD No. 2019-1 Bonds. A component of the Special Tax to be used for Authorized Facilities may only be levied during the first 40 years of Special Tax levy.

"Authorized Services" means the public services authorized to be financed, in whole or in part, by CFD No. 2019-1.

"Base Year" means the Fiscal Year beginning on July 1, 2020 and ending on June 30, 2021.

"Board" means the Board of Directors of the District, acting as the legislative body of CFD No. 2019-1.

"Bonds" means bonds or other Debt (as defined in the Act), whether in one or more series, issued or assumed by or on behalf of CFD No. 2019-1 to fund Authorized Facilities.

"CFD Administrator" means an official of the District, or designee or agent or consultant thereof, responsible for determining the Special Tax Requirement, and providing for the levy and collection of the Special Taxes.

"CFD No. 2019-1" means Squaw Valley Public Service District Community Facilities District No. 2019-1 (Olympic Meadow Preserve).

"County" means the County of Placer.

"Debt Service" means for each Debt Year, the total amount of principal and interest due for any Bonds of CFD No. 2019-1.

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

"District" means Squaw Valley Public Service District.

"Exempt Property" means all Assessors' Parcels that are exempt from the Special Tax pursuant to Section E.1.

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

"Hotel Property" means all Assessor's Parcels for which a building permit has been issued for purposes of constructing one or more commercial units where the use of the property is lodging, to be advertised and rented to the public on a short-term basis, generally less than a 30 day period, and where the renter holds no ownership or Timeshare Interest in the property.

"Hotel Room" means an area that is designed and constructed to be occupied by one or more persons on Hotel Property, which is separate from others occupying the Hotel Property. A Hotel Room has a securable entrance, and facilities for sleeping and sanitation.

"Indenture" means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds for CFD No. 2019-1 are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

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

"Non-Residential Property" means all property that is not used for people to live in, other than Hotel Property, Property Owner Association Property, Public Property, Residential Property, Original Ski Property, Successor Ski Property, and Timeshare Property.

"Original Ski Property" means, in each Fiscal Year those Assessor's Parcels included in Exhibit A, where all or a portion of any Assessor's Parcel within CFD No. 2019-1 is used exclusively or planned exclusively for development of part of the ski operations (Including, but not limited to ski runs, ski lifts, vehicle storage, maintenance areas and facilities, and open space).

"Outstanding Bonds" means all CFD No. 2019-1 Bonds which are outstanding under an Indenture.

"Pay-As-You-Go Expenditure" means Pay-As-You-Go Revenue which is used or set aside for Authorized Facilities, including for Authorized Facilities to be constructed or acquired by CFD No. 2019-1. Pay-As-You-Go Expenditures may be included in the Special Tax Requirement until all Authorized Facilities have been constructed or acquired, as determined by the District.

"Pay-As-You-Go Revenue" means Special Tax revenues that are available after being used or set aside for Debt Service and related reserves, Administrative Expenses and Authorized Services.

"Property Owner Association Property" means any property within the boundaries of CFD No. 2019-1 which is (a) owned by a property owner association or (b) designated with specific boundaries and acreage on a Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

"Proportionately" means, the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Residential Property respectively. The term "Proportionately" may similarly be applied to other categories of Taxable Property as listed in Section C below.

"Public Property" means property within the boundaries of CFD No. 2019-1 owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public right-of-way has been granted to the federal government, the State, the County, the City, or any local government or other public agency, provided that any property leased by a public agency to a private entity and

subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

"Residential Property" means all Assessor's Parcels for which a building permit has been issued for purposes of constructing one or more residential dwelling units to be purchased by, or remain owned by, individual homeowners.

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

"Special Tax Requirement" means that amount required in any Fiscal Year for CFD No. 2019-1:

During the first 40 Years of the levy of the Special Tax, or the Fiscal Year following the Transition Event, if earlier, the Special Tax Requirement shall pay: (1) Debt Service on all Outstanding Bonds which is due in the calendar year that commences in such Fiscal Year, (2) Administrative Expenses, (3) any amount required to establish or replenish a reserve fund in connection with any Bonds, (4) any amount required to establish or replenish any operating reserve held by the District for Administrative Expenses, (5) amounts needed to compensate for delinquencies and reasonably anticipated delinquent Special Taxes based on the delinquency amount for Special Tax levied in the previous Fiscal Year, (6) pay any amounts needed for Pay-As-You-Go Expenditures eligible to be funded by CFD No. 2019-1 under the Act, (7) for Authorized Services; less: (8) a credit for funds available, if any, to reduce the Special Tax levy, as determined by the CFD Administrator; and

Beginning in Year 41 of the levy of the Special Tax, or the Fiscal Year following the Transition Event, if earlier, the Special Tax Requirement shall pay: (1) for Authorized Services, (2) for Administrative Expenses, (3) any amount required to establish or replenish any operating reserve held by the District for Administrative Expenses, (4) amounts needed to compensate for delinquencies and reasonably anticipated delinquent Special Taxes based on the delinquency amount for Special Tax levied in the previous Fiscal Year; less (5) a credit for funds available, if any, to reduce the Special Tax levy, as determined by the CFD Administrator.

"State" means the State of California.

"Successor Ski Property" means an Assessor's Parcel located within the boundaries of CFD 2019-1 that results from a parcel change, parcel reconfiguration or parcel redesignation of Original Ski Property or Successor Ski Property, and which is not developed for residential use.

"Tax Escalation Factor" means a factor equal to 2% that will be applied annually after the Base Year and each Fiscal Year thereafter to increase the Maximum Special Tax over the previous year as shown in Section C.

"Tax Exempt Property" means an Assessor's Parcel not subject to the Special Tax, such as Public Property, or an Assessor's Parcel for which the Special Tax has been partially prepaid pursuant to Section I below. Certain privately-owned Assessor's Parcels also may be exempt from the levy of Special Taxes, including Property Owner Association Property, wetlands, detention basins, water quality ponds, and open space, as determined by the CFD Administrator.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 2019-1 which are not exempt from the Special Tax pursuant to law or Section E below.

"Timeshare Interest" means a period of time which is sold to the public and represents use of the property for a specified time period. Ownership of the Timeshare Interest may, but is not required to, have a unique Assessor's Parcel Number. In the event that a unique Assessor's Parcel Number is not assigned, the District will determine the number of Timeshare Interests for the Timeshare Property in question.

"Timeshare Property" means all Assessor's Parcels of for which a building permit has been issued for purposes of constructing one or more residential dwelling units where use of the property is offered for sale for a period of time each year, and in which a purchaser receives the right to the recurrent, exclusive use or occupancy of a lot, parcel, unit, or segment of real property, annually or on some other periodic basis, for a period of time that has been or will be allotted from the use or occupancy periods into which the project has been divided.

"Time Share Unit" means all condominiums (i) designated for time share use as shown on a condominium plan recorded in the Office of the County Recorder or (ii) where a condominium owner receives the right to the recurrent or exclusive use or occupancy of a condominium annually or on some other periodic basis, for a period of time that has been or will be allotted from the use or occupancy periods into which the condominiums have been divided.

"Transition Event" means the earlier of (i) Forty (40) years from the initial levy of the Special Tax or (ii) the Fiscal Year when the CFD Administrator determines that all of the following events have occurred (i) all Bonds secured by the levy and collection of the Special Tax in CFD No. 2019-1 have been fully repaid and the District determines that no additional Bonds are to be issued, (ii) all Administrative Expenses from prior Fiscal Years have been paid or reimbursed to the District and (iii) there are no additional Pay-As-You-Go Expenditures.

"Transition Year" means the first year in which the CFD Administrator determines that the Transition Event occurred in the prior Fiscal Year.

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

"Unit" means a structure available for sale or rent for residential occupancy. An Accessory Unit that shares an Assessor's Parcel with a Unit of Residential Property shall not be considered a separate Unit for purposes of calculating the Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, the CFD Administrator shall determine the valid Assessor's Parcel Numbers for all Taxable Property within CFD No. 2019-1. If any Assessor's Parcel Numbers are no longer valid from the previous Fiscal Year, the CFD Administrator shall determine the new Assessor's Parcel Number(s) that are in effect for the current Fiscal Year. To the extent an Assessor's Parcel(s) of Taxable Property are subdivided, consolidated or otherwise reconfigured, the Maximum Special Tax rates shall be assigned to the new Assessor's Parcel(s) pursuant to Section C. The CFD Administrator shall also determine: (i) the number of Units each Assessor's Parcel contains; (ii) classify each Assessor's Parcel as Hotel Property, Non-Residential Property, Original Ski Property,

Residential Property, Successor Ski Property or Timeshare Property; and (iii) the Annual Special Tax Requirement for the Fiscal Year.

C. MAXIMUM SPECIAL TAXES

Prior to the Transition Event

The Maximum Special Tax for each Assessor's Parcel that may be levied in any Fiscal Year prior to the Transition Event is shown in Table 1.

TABLE 1
Fiscal Year 2020/21 Maximum Special Tax Rates

Property Type	Maximum Special Tax Rate	Per
Hotel Property	\$128.00	Hotel Room
Non-Residential Property	\$128.00	Acre
Original Ski Property	\$128.00	Acre
Residential Property	\$284.00	Unit
Timeshare Property	\$71.00	Timeshare Interest

On each July 1, commencing on July 1, 2021, the Maximum Special Tax shall increase by the Tax Escalation Factor.

After the Transition Event

The Maximum Special Tax for each Assessor's Parcel that may be levied in any Fiscal Year that has not partially prepaid, after the Transition Event, is for the Fiscal Year beginning in the Transition Year, an amount equal to 50% of the Maximum Special Tax in effect for the Fiscal Year prior to the Transition Year.

The Maximum Special Tax for each Assessor's Parcel that may be levied in any Fiscal Year that has partially prepaid, after the Transition Event, is for the Fiscal Year beginning in the Transition Year, an amount equal to 50% of the sum of Maximum Special Tax in the Fiscal Year prior to the Transition Year plus an amount equal to the Special Tax that would have been due in the Fiscal Year prior to the Transition Year if such Assessor's Parcel had not partially prepaid.

On each July 1 after the Transition Event, including the Transition Year, the Maximum Special Tax shall increase by the Tax Escalation Factor.

Original Ski Property Assessor's Parcel Changes

When Original Ski Property changes, merges or subdivides, the Maximum Special Tax shall be apportioned to Successor Ski Property so that there is no net loss in aggregate Maximum Special Tax revenue from the Original Ski Property to the Successor Ski Property for CFD No. 2019-1. The process for apportioning the Maximum Special Tax of Original Ski Property to the Successor Ski Property is as follows:

- Step 1: Identify the Acreage of Successor Ski Property Assessor's Parcel(s) created by the Original Ski Property Assessor's Parcel(s) change, merger or subdivision. The Acreage for the Successor Ski Property Assessor's Parcel(s) classified as Public Property or Property Owner Association Property will not be considered in this calculation.
- Step 2: Multiply the total Acres from Step 1 by the Maximum Special Tax for Original Ski Property for the then current Fiscal Year.
- Step 3: Sum the Maximum Special Tax for the Original Ski Property Assessor's Parcel(s) being changed, merged or subdivided.
- Step 4: If the result of Step 2 exceeds the results of Step 3, assign the then current year Maximum Special Tax to each Successor Ski Property Assessor's Parcel(s).
- Step 5: If the result of Step 2 is less than the result of Step 3, the result of Step 3 will be divided by the total Acreage of Successor Ski Property identified in Step 1 to determine the Maximum Special Tax per Acre for the Successor Ski Property Assessor's Parcel(s) created by the change, merger or subdivision.

Once created, if Successor Ski Property further changes, merges or subdivides, the steps shall be repeated to determine the Maximum Special Tax for additional Successor Ski Property created from the change, merger or subdivision.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAXES

Commencing with Fiscal Year 2020/21 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement and shall levy the Special Tax until the total Special Tax levy equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Original Ski Property and Successor Ski Property at a rate up to 80% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Hotel Property, Non-Residential Property, Residential Property and Timeshare Property at a rate up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied on each Assessor's Parcel of Original and Successor Ski Property by increasing in equal percentages from the amounts determined in the first step, up to the Maximum Special Tax for each such Assessor's Parcel.

As required by the Act, the following shall apply to the computation of the Special Tax each Fiscal Year: Under no circumstances will the portion of the Special Tax used to pay for facilities financed by CFD No. 2019-1 and levied against any Assessor's Parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within CFD No. 2019-1 by more than 10 percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

E. EXEMPTIONS

1. No Special Taxes shall be levied on Public Property, except as otherwise provided in Sections 53317.3 and 53317.5 of the Act.
2. No Special Taxes shall be levied on Property Owner Association Property
3. The Maximum Special Tax obligation for any property which would be classified as Public Property upon its transfer or dedication to a public agency but which is classified as Taxable Property pursuant to Section B above shall be prepaid in part by the seller pursuant to Section I, prior to the transfer/dedication of such property to such public agency. Until the Maximum Special Tax obligation for any such property is partially prepaid, the property shall continue to be subject to the levy of the Special Tax as Taxable Property regardless of ownership. After the partial prepayment, the parcel will no longer be subject to the Special Tax as long as it is classified as Public Property.
4. If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.
5. Acreage within an Assessor's Parcel is exempt from Special Taxes under this section to the extent that (i) the Acreage is the subject of an open-space easement acquired by the County, or (ii) the Acreage is dedicated or restricted to agricultural or conservation uses as described in the Act; unless, in either case, the owner of the Assessor's Parcel which includes such Acreage consents to including such Acreage in calculating the Special Tax applicable to the Assessor's Parcel.
6. No Special Taxes shall be levied on Assessor's Parcels that are not subject to ad valorem property taxes.
7. No Special Taxes shall be levied on the Assessor's Parcels shown in Exhibit B. Any Assessor's Parcel(s) that results from an Assessor's Parcel change, reconfiguration or redesignation of any Assessor's Parcel shown in Exhibit B shall not be levied a Special Tax. However, if an Assessor's Parcel exempt pursuant to Exhibit B merges with Taxable Property, there shall be no net loss in aggregate Maximum Special Tax revenue generated from the newly created Assessor's Parcels.

F. APPEALS

Any property owner may file a written appeal of the Special Taxes with the CFD Administrator claiming that the amount or application of the Special Taxes is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Taxes are in error. The

CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the Board whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the Board requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes, so long as this does not decrease annual debt service coverage below 110% in any given Fiscal Year.

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. INTERPRETATIONS

The District reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be at the District's discretion. Interpretations may be made by the District by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

H. MANNER OF COLLECTION

The Special Taxes will be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that the District may directly bill the Special Taxes, may collect the Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent property as permitted by the Act.

I. PARTIAL PREPAYMENT OF THE SPECIAL TAX

The Special Tax obligation of an Assessor's Parcel may be partially prepaid as described herein, provided that the partial prepayment pays all delinquent installments of the Special Tax with respect to such Assessor's Parcel at the time of partial prepayment. An owner of an Assessor's Parcel intending to partially prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to partially prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the partial prepayment amount of such Assessor's Parcel. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, if any, from the proceeds of such partial prepayment may be given to the Trustee pursuant to the Indenture. The CFD Administrator may charge a fee for providing this service.

The following definition applies to this Section I:

"Future Facilities Amount" means, as of the date of prepayment, all Authorized Facilities financed or anticipated by the District to be financed by CFD No. 2019-1, minus (i) the proceeds of any Previously Issued Bonds which were, at the time of issuance, available to the District for Authorized Facilities, (ii) the cost of Authorized Facilities or portions thereof previously paid for

by Pay-As-You-Go Revenue, and (iii) cost of Authorized Facilities or portions thereof to be paid for by Pay-As-You-Go Revenue previously received and not yet spent.

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

"Maximum Special Tax Percentage to be Prepaid" means the percentage of the Maximum Special Tax prepaid as determined by the CFD Administrator after application of the partial prepayment calculation set forth below.

"Previously Issued Bonds" means all Bonds that have been issued by CFD No. 2019-1 prior to the date of partial prepayment.

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

	Bond Redemption Amount
plus	Redemption Premium
plus	Defeasance Amount
plus	Administrative Fees and Expenses
plus	Future Facilities Share
<u>less</u>	<u>Reserve Fund Credit (if any)</u>
Total: equals	Special Tax Partial Prepayment Amount

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

1. Confirm that no Special Taxes delinquency apply to such Assessor's Parcel, and if delinquencies are applicable compute all amounts due, including interest and penalties.
2. Compute the Maximum Special Tax applicable for the Assessor's Parcel to be prepaid.
3. Divide the Maximum Special Tax computed pursuant to paragraph 2 by the total Maximum Special Tax for CFD No. 2019-1 which could be charged in the current Fiscal Year, excluding any Assessor's Parcels which have been partially prepaid.
4. Multiply the quotient computed pursuant to paragraph 3 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to paragraph 4 by the applicable redemption premium, if any, on the Outstanding Bonds as detailed in the Indenture to be redeemed (the "Redemption Premium").
6. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds (the "Defeasance Amount").

7. Multiply the quotient computed pursuant to paragraph 3 by the Future Facilities Amount to compute the Future Facilities Share (the "Future Facilities Share") to be prepaid.
8. Verify the administrative fees and expenses of CFD No. 2019-1, including the costs of computation of the partial prepayment, the costs to invest the partial prepayment proceeds, the costs of redeeming CFD No. 2019-1 Bonds, and the costs of recording any notices to evidence the partial prepayment and the redemption (the "Administrative Fees and Expenses").
9. If reserve funds for the Outstanding Bonds, if any, are held in cash and are at or above 100% of the reserve requirement (as defined in the Indenture) on the partial prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve requirement for the Outstanding Bonds to be redeemed pursuant to the partial prepayment (the "Reserve Fund Credit"). No Reserve Fund Credit shall be granted if reserve funds are held as a surety or are below 100% of the reserve requirement on the partial prepayment date or the redemption date.
10. The Special Tax Partial Prepayment Amount is equal to the sum of the amounts computed pursuant to paragraphs 4, 5, 6, 7 and 8, less the amount computed pursuant to paragraph 9 (the "Special Tax Partial Prepayment Amount").
11. From the Special Tax Partial Prepayment Amount, the amounts computed pursuant to paragraphs 4, 5, 6 and 7 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to paragraph 8 shall be retained by the District.

The Special Tax Partial Prepayment Amount may be sufficient to redeem more Outstanding Bonds than the bond increment allows. In such cases, the amount above the increment or integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next partial prepayment of Outstanding Bonds or to make debt service payments.

With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall indicate in the records of CFD No. 2019-1 that there has been a partial prepayment of the Maximum Special Tax and that a portion of the Maximum Special Tax with respect to such Assessor's Parcel, equal to the Maximum Special Tax at time of partial prepayment multiplied by the Maximum Special Tax Percentage to be Prepaid, shall continue to be levied on such Assessor's Parcel pursuant to Section D until the Transition Year. Beginning in the Transition Year, the Special Tax applicable to any Assessor's Parcel that has partially prepaid shall be adjusted to an amount which is the same as other Taxable Property in CFD No. 2019-1 assigned to a land use which is the same as that of the partially prepaid Assessor's Parcel. With the exception of the Maximum Special Tax for Successor Ski Property which will be set at the amount determined in Section C - Original Ski Property Assessor's Parcel changes.

Current year special taxes will remain on the tax roll.

Notwithstanding the foregoing, no Special Tax partial prepayment shall be allowed unless the amount of Special Tax that may be levied on Taxable Property within CFD No. 2019-1 both prior

to and after the proposed partial prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

J. TERM

The Special Tax shall be levied for as long as required to fund the Special Tax Requirement. No portion of the Special Tax shall be levied for Authorized Facilities beyond 40 years from the initial levy of the Special Tax.

Exhibit A

Original Ski Property Assessor's Parcel Numbers

<u>Assessor's Parcel Number</u>	<u>Owner</u>	<u>Acreage</u>
069-310-005-000	SQUAW VALLEY DEVELOPMENT LESSEE	160.00
069-310-006-000	SQUAW VALLEY DEVELOPMENT LESSEE	109.75
069-310-007-000	SQUAW VALLEY RESORT LLC	109.40
069-310-011-000	SQUAW VALLEY RESORT LLC	667.90
069-310-023-000	SQUAW VALLEY RESORT LLC	215.90
070-130-006-000	SQUAW VALLEY RESORT LLC	90.82
095-190-011-000	SQUAW VALLEY RESORT LLC	138.20
095-290-025-000	SQUAW VALLEY RESORT LLC LSSEE	46.80
096-010-012-000	SQUAW VALLEY RESORT LLC	111.00
096-010-027-000	SQUAW VALLEY RESORT LLC	562.80
096-020-012-000	SQUAW VALLEY RESORT LLC	0.34
096-221-018-000	SQUAW VALLEY RESORT LLC	1.20
096-221-019-000	SQUAW VALLEY REAL ESTATE LLC	10.30
096-221-036-000	SQUAW VALLEY REAL ESTATE LLC	1.50
096-221-038-000	SQUAW VALLEY RESORT LLC	80.70
096-490-015-000	SQUAW VALLEY REAL ESTATE LLC	0.50
096-490-019-000	SQUAW VALLEY REAL ESTATE LLC	3.10
096-540-016-000	SQUAW VALLEY REAL ESTATE LLC	10.90

Exhibit B

Assessor's Parcel Numbers Exemptions

<u>Assessor's Parcel Number</u>	<u>Owner</u>	<u>Acreage</u>
095-290-028-000	CALDWELL LLC	24.6
095-290-029-000	SQUAW VALLEY RESORT LLC	1.6
096-060-009-000	SQUAW VALLEY MUTUAL WATER CO	.028
096-060-010-000	SQUAW VALLEY MUTUAL WATER CO	.028

EXHIBIT B

LIST OF AUTHORIZED FACILITIES AND SERVICES

Squaw Valley Public Service District Community Facilities District 2019-1 (Olympic Meadow Preserve)

The authorized facilities and services to be funded from the levy and collection of annual special taxes shall consist of those items set forth below, in addition to the costs associated with collecting and administering the special taxes and annual administering the CFD.

Authorized Facilities. Authorized Facilities include acquisition of the real property commonly known as 325 Squaw Valley Road, Olympic Valley, California, Assessor's Parcel Numbers 096-230-062 and 096-290-050, also referred to as the approximate 30-acre Poulsen Property/Olympic Meadow (the "Olympic Meadow Preserve") acquisition by Squaw Valley Public Service District ("SVPSD") and costs and expenses related thereto, all related park and open space improvements thereon, and the construction, rehabilitation, renovation, removal or addition of any new or existing improvements on, in the area of, or to any portion of the Olympic Meadow Preserve and costs and expenses related thereto. For example, Authorized Facilities include but are not limited to pedestrian and bike trails including bridges and elevated boardwalks, recreation facilities and amenities, pavilions and shelters, parking and restroom facilities, creek and drain crossings, storm protection/drainage/detention/retention, wetland/tree/flood mitigation, landscaping and irrigation, access gates and fencing, Poulsen legacy commemoratives, as well as any land acquisition and easement payments for the use or expansion of the facilities and any other improvements facilitating or enhancing the use of the Authorized Facilities. Authorized Facilities also include payment of any obligations or indebtedness to any entity providing financing for any Authorized Facility.

Authorized Services. Authorized Services include all aspects of operation, maintenance, repair and service activities to facilitate the use and enjoyment by the public of any and all Authorized Facilities, including replacement and the funding of a reserve fund to pay for future repair and/or replacement of any Authorized Facilities. Such Authorized Services include but are not limited to all general or extraordinary activities deemed necessary or desirable by SVPSD to provide for the use or enjoyment of any and all Authorized Facilities whether provided by SVPSD or any outside entity, including maintenance and operations contingencies and reserves with respect thereto,. For example, Authorized Services include but are not limited to master planning, management, public outreach and communication, maintenance of trails, signage, tables, benches, shelters, fences, trash and debris collection, drainage, snow removal, vandalism/graffiti damage, flood mitigation, vegetation/tree removals, Squaw Creek maintenance, erosion control/bank stabilization, native planting/replanting, pre and post emergent, environmental mitigation monitoring, and the annual review thereof, and activities or permitting required by the any federal, state, county or other agency.

Incidental Costs. In addition, costs eligible to be financed by the CFD shall include all costs and expenses incidental to the above and authorized by the Mello-Roos Community Facilities Act of 1982 determined by SVPSD to be associated with the Authorized Facilities, the

Authorized Services, the formation and ongoing administration of the CFD, the election, bonding, the levy and collection of taxes, and all other costs as permitted by the Act, and any other costs incurred to carry out the authorized purposes of the CFD.

EXHIBIT C

(FORM OF)

NOTICE OF PUBLIC HEARING ON PROPOSED SQUAW VALLEY PUBLIC SERVICE DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2019-1 (OLYMPIC MEADOW PRESERVE) PLACER COUNTY, CALIFORNIA

The Squaw Valley Public Service District is considering the formation of a community facilities district (the "CFD") under the authority of the Mello-Roos Community Facilities Act of 1982, as amended, to fund certain public services and the acquisition and construction of certain public facilities within the Squaw Valley Public Service District, and to incur bonded indebtedness of the CFD.

This Notice contains a brief summary of the proposal, but you are referred to the Board's Resolution of Intention to Form a Community Facilities District and Levy a Special Tax in the Squaw Valley Public Service District Community Facilities District No. 2019-1 (Olympic Meadow Preserve) to Finance Public Services and the Acquisition and Construction of Certain Public Facilities in and for Such Community Facilities District (No.2019-09, adopted May 24, 2019) and its Resolution of Intention to Incur Bonded Indebtedness to Finance the Acquisition and Construction of Certain Public Facilities in and for the Squaw Valley Public Service District Community Facilities District No. 2019-1 (Olympic Meadow Preserve) (No.2019-10, adopted May 24, 2019) for details of the proposals.

The proposal is to subject the property within the CFD to a special tax which will be used to pay for the authorized services and facilities proposed by the CFD, including paying principal and interest on bonds used to acquire or construct facilities. The proceeds of the bonds will be used to pay for the facilities and other expenses, all as set forth in the resolutions referred to in the preceding paragraph. A map showing the land proposed to be included in the CFD is on file with the Board Secretary.

As set forth below, the Board will hold a public hearing on the establishment of the CFD, the services and the facilities to be financed by the CFD, the levy of the special tax within the CFD and the authority to issue up to \$17,500,000 in bonds to be repaid by a portion of the special tax. Neither the Squaw Valley Public Service District nor any person outside the CFD has any liability for the special tax or the bonds. The security for the bonds will be limited to the property subject to the special tax within the CFD.

In order to confer the authority upon the Board of Directors of the Squaw Valley Public Service District to levy the special tax and to issue the bonds, a public hearing must be held on the proposals, then the Board will decide whether to form the CFD, and finally the qualified electors within the CFD must approve the proposals by a two-thirds vote. The qualified electors are, pursuant to law, the registered voters within the CFD.

This is the notice of the public hearing. The public hearing will be held during the Board meeting on Tuesday, June 25, 2019, at 8:30 a.m., in the Community Room at 305 Squaw Valley Road, Olympic Valley, California 96146.

At the hearing, the testimony of all interested persons or potential special taxpayers for or against the formation of the CFD, the authorization to levy the special tax, and the authorization to issue the bonds will be heard.

If written protests against the proposed CFD are delivered to the Board Secretary at or before the time set for the hearing by either registered voters residing within, or the owners of property within, the proposed CFD, they will be counted toward a possible majority protest. Such protests by a majority of the registered voters residing within the CFD or by the owners of a majority of the land area within CFD which is or will be subject to the special tax, if not withdrawn prior to the close of the hearing so as to reduce the value of the protests to less than a majority, will require the proposed CFD to be eliminated from immediate consideration, and prevent its being included in a subsequent proceedings for at least one year.

If the Board, after the public hearing, determines that a majority protest under Section 53324 of the California Government Code was not made at the hearing, the Board may conduct an election by special mailed ballot, or consolidated with a County-wide election, to levy a special tax within the CFD and incur bonded indebtedness for the CFD.

Questions should be directed to the undersigned, telephone (530) 583-4692.

Dated: June 3, 2019



Board Secretary,
Squaw Valley Public Service District