

**UNANIMOUS APPROVAL
of Annexation to a Community Facilities District and Related Matters**

CITY OF CARSON

**Community Facilities District No. 2018-01
(Maintenance and Services)**

Annexation No. 5

Tax Zone No. 7

To the Honorable City Council
City of Carson
701 E. Carson Street
Carson, CA 90745

Members of the City Council:

This constitutes the Unanimous Approval (the "Unanimous Approval") of LIT CTR GARDENA OWNER LP, the record owner(s) (the "Property Owner") of the fee title to the real property identified below (the "Property") contemplated by Section 53339.3 et seq. of the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), to the annexation of the Property to the "City of Carson Community Facilities District No. 2018-01 (Maintenance and Services)" (the "CFD"), and it states as follows:

1. Property Owner. This Unanimous Approval is submitted by the Property Owner as the record owner(s) of fee title to the Property. The Property Owner has supplied to the City current evidence of its ownership of fee title to the Property.

2. Approval of Annexation. This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the annexation of the Property to the CFD. The CFD was formed to finance the municipal services, which are incorporated herein by this reference (the "Services") described in Exhibit A hereto and made a part hereof. In such connection Property Owner has reviewed the list of the Services and hereby agrees, consents and approves to the Services and the Annexation of the Property to the CFD for the benefit of the City and the CFD.

3. Approval of Special Tax and the Services. This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the levy of special taxes (the "Special Taxes") on the Property to finance the Services. The Special Taxes will be levied according to the Rate and Method of Apportionment of Special Taxes for the CFD attached hereto as Exhibit B and made a part hereof (the "Rate and Method"). Exhibit B includes the cost estimate for the Services. In such connection property owner consents and approves of the Rate and Method and corresponding Special Tax Rates for Tax Zone No. 7, as set forth in Attachment 1 of the Rate and Method, and understands that such taxes shall be levied against the Property.

10. The Property. The Property is identified below, and such Property Owner approves, consents and agrees that Property will be subject to the CFD upon recordation of the amendment to the Notice of Special Tax Lien. The map demonstrating the annexed Property area is entitled "Annexation Map No. 5 of City of Carson Community Facilities District No. 2018-01 (Maintenance and Services)" and is attached hereto as Exhibit C.

Assessor's Parcel Number(s):

APN	Acreage	Property Owner
6125-019-024	6.533	LIT CTR Gardena Owner LP
6125-019-041		
6125-019-042		
6125-019-043		
6125-019-044		
6125-019-050		

Property Addresses:

No Address

Acres: 6.533 acres

By executing this Unanimous Approval, the Property Owner agrees to all of the above.

Annexation No. 5

Tax Zone No. 7

Property Owner

LIT CTR Gardena Owner LP

By: _____

Name: Chris Coetzee

Title: SVP

Notice Address

4343 Von Karman Avenue, Suite 200
Newport Beach, CA 92660

The incidental expenses that may be funded by the District include, in addition to the administrative expenses identified above, the payment or reimbursement to the City of all costs associated with the establishment and administration of the District.

CITY OF CARSON
Community Facilities District No. 2018-01
(Maintenance and Services)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax shall be levied and collected in City of Carson Community Facilities District No. 2018-01 (Maintenance and Services) (the "District") each Fiscal Year, in an amount determined by the application of the procedures described below. All of the Taxable Property (as defined below) in the District, unless exempted by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

I. DEFINITIONS

The terms used herein shall have the following meanings:

"Accessory Unit" means a secondary residential unit of limited size (e.g., granny cottage, second unit) that shares a Parcel with a Unit of Single Family Detached Property.

"Acreage" or "Acre" 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 shall be determined by the District Administrator based upon the applicable condominium plan, final map or parcel map. If the preceding maps for a land are not available, the Acreage of such land area may be determined utilizing available spatial data and geographic information systems (GIS).

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

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of the District: the costs of computing the Annual Special Tax Requirement and the annual Special Tax and of preparing the annual Special Tax collection schedules; 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 City or designee in complying with the disclosure requirements of the California Government Code (including the Act), including public inquiries regarding the Special Taxes; and the costs of the City or designee related to an appeal of the Special Tax. Administrative Expenses shall also include costs related to the formation of the District and of annexing territory to the District as well as any amounts advanced by the City for any administrative purposes of the District and an allocable share of the salaries of City staff and an allocable portion of City overhead costs relating to the foregoing, or costs of the City in any way related to the establishment or administration of the District.

"Annual Services Costs" means the amounts required to fund services authorized to be funded by the District.

"Annual Special Tax Requirement" means that amount with respect to the District determined by the Council or designee as required in any Fiscal Year to pay: (1) the Administrative Expenses, (2) the Annual Services Costs for each Tax Zone, (3) any amount required to establish or replenish any reserve or

“Multi-Family Property” means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for construction of a residential structure with five or more Units that share a single Assessor’s Parcel Number, are offered for rent to the general public, and cannot be purchased by individual homebuyers.

“Non-Residential Property” means all Developed Property that is not used for people to live in, and does not include Public Property.

“Proportionately” means, in any Fiscal Year, that the ratio of the actual Special Tax to the Maximum Special Tax Rate is equal for all Assessor’s Parcels authorized to be levied in that Fiscal Year within each respective Tax Zone.

“Public Property” means any property within the boundaries of the District owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public or private road right-of-way making the property unusable for any other purpose has been granted to the federal government, the State of California, the County, the City, or any local government or other public agency.

“Single Family Attached Property” means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor’s Parcel Numbers assigned to them (except for a duplex triplex, or fourplex unit, which may share a Parcel with another duplex, triplex or fourplex Unit(s)), and may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures that meet the statutory definition of a condominium project contained in Civil Code Section 4125.

“Single Family Detached Property” means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a Unit that does not share a common wall with another Unit.

“Special Tax” means the amount levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Annual Special Tax Requirement.

“Tax Escalation Factor” means a factor that will be applied annually after Fiscal Year 2018/19 to increase the Maximum Special Tax Rates shown in Section III and as specified for each Tax Zone.

“Tax Zone” means a mutually exclusive geographic area within which the Special Tax may be levied pursuant to this Rate and Method of Apportionment. *All of the Taxable Property within the District at the time of its formation is within Tax Zone No. 1 as specified on the District Boundary Map.* Additional Tax Zones may be created when property is annexed to the District, and a separate Maximum Special Tax shall be identified for property within the new Tax Zone at the time of such annexation. The Assessor’s Parcels included within a new Tax Zone when such Parcels are annexed to the District shall be identified by Assessor’s Parcel number in the Unanimous Approval Form that is signed by the owner(s) of the Parcels at the time of annexation, or any proceeding for annexation to the District.

“Taxable Property” means all Parcels within the boundary of the District that are not Exempt Property, exempt from the Special Tax pursuant to the Act or Section V below.

TABLE 1
SPECIAL TAX RATES – TAX ZONE NO. 1
FISCAL YEAR 2018/19*

Property Type	Maximum Special Tax Rate	Per	Expected Special Tax Revenue
Non-Residential Property	\$1,971.51	Acre	\$9,189.21

**On each July 1, commencing on July 1, 2019, the Maximum Special Tax Rate for each Tax Zone shall be increased by the percentage change in the November annualized Consumer Price Index for Los Angeles-Long Beach-Anaheim for all Urban Consumers, the Tax Escalation Factor for Tax Zone No. 1.*

Should the total revenue for Tax Zone No. 1 not be fully realized when all Parcels in Tax Zone No. 1 are classified as Developed Property, the Special Tax rate per Acre shall be adjusted so that the Special Tax per Acre is sufficient to generate the total Expected Special Tax Revenue for Tax Zone No. 1, adjusted annually by the Tax Escalation Factor. The Maximum Special Tax Rate shall be the greater of the Maximum Special Tax Rate shown in Table 1, adjusted annually by the Tax Escalation Factor or the Special Tax Rate calculated to generate the total Expected Special Tax Revenue for Tax Zone No. 1, adjusted annually by the Tax Escalation Factor.

If a building permit has been issued after June 1 of the preceding Fiscal Year, the City may directly bill to meet the Annual Special Tax Requirement, as prorated based on the date the building permit is issued and the end of the Fiscal Year.

A different Maximum Special Tax Rate may be identified in Tax Zones added to the District as a result of future annexations.

IV. FORMULA FOR PREPAYMENT OF SPECIAL TAX OBLIGATIONS

The Special Tax may not be prepaid.

V. EXEMPTIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Taxes shall be levied on (i) Public Property, (ii) Association Property, (iii) Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement, or (iv) except as otherwise provided in Sections 53317.3 and 53317.5 of the Act.

VI. INTERPRETATION OF RATE AND METHOD OF APPORTIONMENT

The City 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 City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

CITY OF CARSON
Community Facilities District No. 2018-01
(Maintenance and Services)

ATTACHMENT 1
MAXIMUM SPECIAL TAX RATES

TAX ZONE NO. 7

Tax Zone	APNs	Maximum Special Tax Rate	Per	Base Year	Expected Special Tax Revenue
1 ⁽¹⁾	7339-002-003	\$1,971.51	Acre	2018/19	\$9,189.21
2 ⁽²⁾	7316-025-061, 7316-025-062, 7316-025-097, 7316-025-812, 7316-025-814	1,839.18	Acre	2019/20	36,507.80
3 ⁽³⁾	7343-020-009, 7343-020-010	643.90	Unit of Single Family Attached Property	2019/20	20,604.80
5 ⁽⁴⁾	7335-003-005	879.10	Unit of Single Family Attached Property	2019/20	4,395.50
6 ⁽⁵⁾	7319-003-104, 7319-003-105, 7319-003-106, 7319-038-900	940.64	Unit of Single Family Attached Property	2020/21	198,475.04
7 ⁽⁶⁾	6125-019-024, 6125-019-041, 6125-019-042, 6125-019-043, 6125-019-044, 6125-019-050,	2,799.23	Acre	2020/21	18,287.36

- (1) On each July 1, commencing on July 1, 2019, the Maximum Special Tax Rate for Tax Zone No. 1 shall be increased by the percentage change in the November annualized Consumer Price Index for Los Angeles-Long Beach-Anaheim for all Urban Consumers, the Tax Escalation Factor for Tax Zone No. 1.
- (2) On each July 1, commencing on July 1, 2020, the Maximum Special Tax Rate for Tax Zone No. 2 shall be increased by the percentage change in the November annualized Consumer Price Index for Los Angeles-Long Beach-Anaheim for all Urban Consumers, the Tax Escalation Factor for Tax Zone No. 2. Should the total revenue for Tax Zone No. 2 not be fully realized when all Parcels in Tax Zone No. 2 are classified as Developed Property, the Special Tax rate per Unit shall be adjusted so that the Special Tax per Unit is sufficient to generate the total Expected Special Tax Revenue for Tax Zone No. 2, adjusted annually by the Tax Escalation Factor for Tax Zone No. 2.
- (3) On each July 1, commencing on July 1, 2020, the Maximum Special Tax Rate for Tax Zone No. 3 shall be increased by the percentage change in the November annualized Consumer Price Index for Los Angeles-Long Beach-Anaheim for all Urban Consumers, the Tax Escalation Factor for Tax Zone No. 3. Should the total revenue for Tax Zone No. 3 not be fully realized when all Parcels in Tax Zone No. 3 are classified as Developed Property, the Special Tax rate per Unit shall be adjusted so that the Special Tax per Unit is sufficient to

EXHIBIT C

CITY OF CARSON

Community Facilities District No. 2018-01
(Maintenance and Services)

ANNEXATION MAP NO. 5 OF CITY OF CARSON COMMUNITY FACILITIES DISTRICT NO. 2018-01
(MAINTENANCE AND SERVICES)

[see attached]

**ANNEXATION MAP NO. 5 OF
THE CITY OF CARSON
COMMUNITY FACILITIES DISTRICT NO. 2018-01
(MAINTENANCE AND SERVICES)**

**CITY OF CARSON
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA**



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF CARSON THIS ____ DAY OF _____, 20____.

CITY CLERK _____

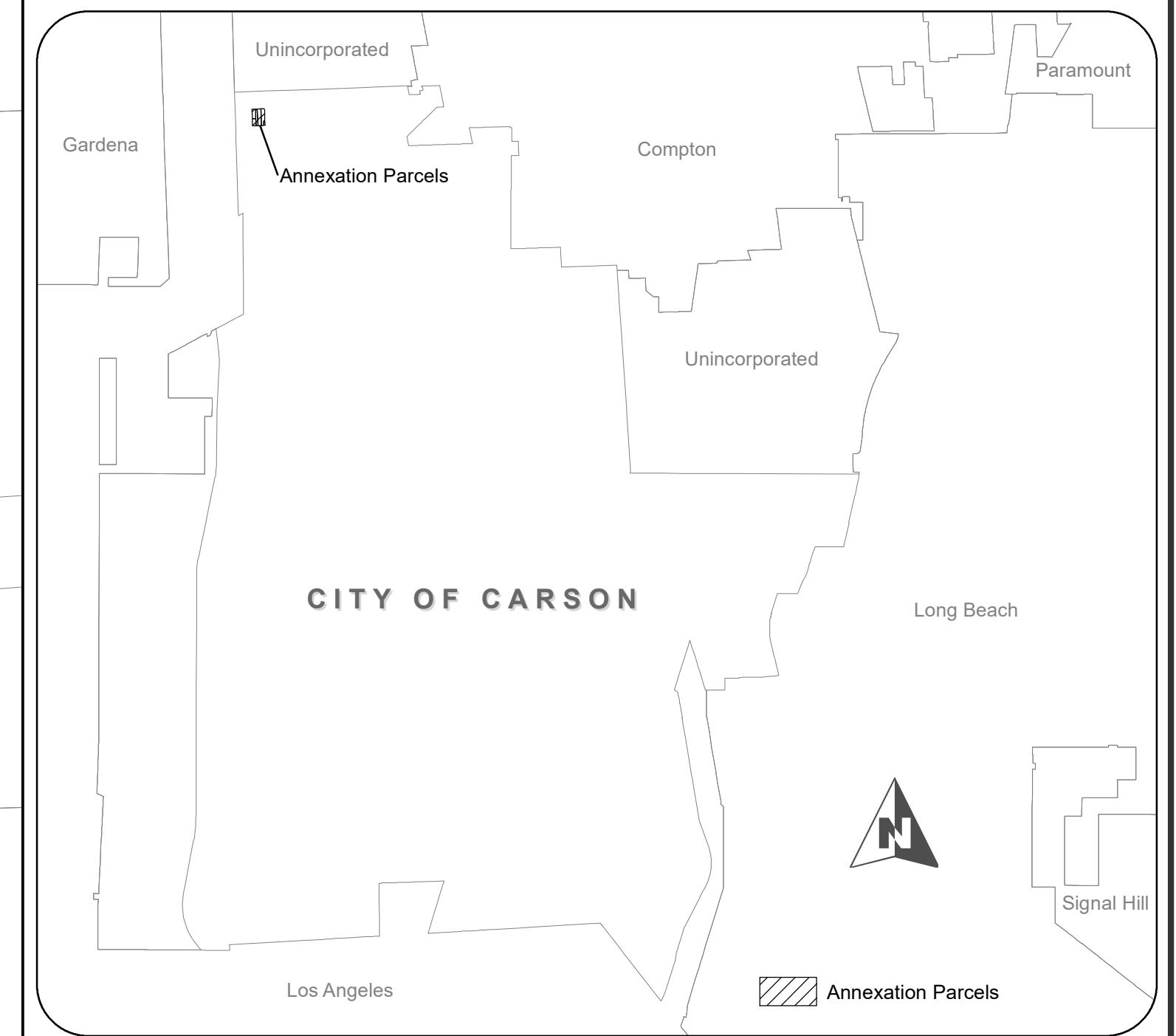
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF ANNEXATION NO. 5 TO THE CITY OF CARSON COMMUNITY FACILITIES DISTRICT NO. 2018-01 (MAINTENANCE AND SERVICES), COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF CARSON, AT A MEETING THEREOF, HELD ON THE ____ DAY OF _____, 20____, BY ITS RESOLUTION NO. _____.

CITY CLERK _____

FILED THIS ____ DAY OF _____, 20____, AT THE HOUR OF ____ O'CLOCK ____ M., IN BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, AT PAGE ____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.

COUNTY RECORDER, _____
COUNTY OF LOS ANGELES

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA.
REFERENCE IS HEREBY MADE TO THAT CERTAIN MAP ENTITLED "MAP OF PROPOSED BOUNDARIES OF CITY OF CARSON COMMUNITY FACILITIES DISTRICT NO. 2018-01 (MAINTENANCE SERVICES), CITY OF CARSON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA," FILED THE 20TH DAY OF SEPTEMBER, 2018, IN BOOK 194 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AT PAGES 88 AND 89, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, WHICH THIS ANNEXATION MAP AFFECTS.



Source: Los Angeles County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California V FIPS 0405 Feet

NBS™