

RESOLUTION NO. 05-8

**RESOLUTION CALLING SPECIAL ELECTION REGARDING ALTERATION OF
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES**

**FORT ORD REUSE AUTHORITY
BASEWIDE COMMUNITY FACILITIES DISTRICT**

WHEREAS, on January 18, 2002, the Board of Directors of the Fort Ord Reuse Authority (the "Authority") adopted Resolution No. 02-1 forming the Fort Ord Reuse Authority Basewide Community Facilities District (the "District"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), which resolution established the District and authorized the levy of a special tax within the District; and

WHEREAS, on May 13, 2005, the Board of Directors of the Authority adopted a resolution entitled "Resolution of Consideration to Alter the Rate and Method of Apportionment of Special Taxes" (the "Resolution of Consideration"), proposing to alter the rate and method of apportionment of the special taxes to be levied within the District (the "Rate and Method of Apportionment"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"); and

WHEREAS, the Resolution of Consideration, which makes reference to the map of the boundaries of the District and contains a description of the proposed alteration of the Rate and Method of Apportionment, is on file with the Clerk of the Board and the provisions thereof are incorporated herein by this reference as if fully set forth herein; and

WHEREAS, the Resolution of Consideration called for a public hearing regarding the alteration of the Rate and Method of Apportionment, and notice of the public hearing has been duly given as required by the Act; and

WHEREAS, on this date, the Board of Directors of the Authority held the public hearing as required by the Act and the Resolution of Consideration relative to the proposed alteration of the Rate and Method of Apportionment, and at the hearing changes were made to the proposed alteration, and a revised form of the alteration is as set forth in Exhibit A to this Resolution; and

WHEREAS, at said hearing all interested persons desiring to be heard on all matters pertaining to the proposed alteration of the Rate and Method of Apportionment were heard and a full and fair hearing was held; and

WHEREAS, written protests with respect to the proposed alteration of the Rate and Method of Apportionment have not been filed with the Clerk of the Board by fifty percent (50%) or more of the registered voters residing within the territory of the District subject to the levy of special taxes by the District or property owners of one-half (1/2) or more of the area of land within the District that is not exempt from the levy of the special tax; and

WHEREAS, the proposition of the alteration of the Rate and Method of Apportionment, as set forth in Exhibit A hereto, shall be submitted to the qualified electors of the District as required by the Act and this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fort Ord Reuse Authority as follows:

1. The foregoing recitals are true and correct.
2. The proposed alteration of the Rate and Method of Apportionment of the special tax to be levied within the District has not been precluded by majority protest pursuant to Section 53337 of the Act.
3. All prior proceedings taken by the Board of Directors of the Authority in connection with the proposed alteration of the Rate and Method of Apportionment for the District as set

forth in Exhibit A hereto have been duly considered and are hereby found and determined to be valid and in conformity with the requirements of the Act.

4. The Rate and Method of Apportionment for the District is hereby altered from that currently in effect as set forth in Exhibit A hereto, contingent upon the affirmative vote of the qualified electors in the District (by two-thirds or more of the votes cast in the election described below).

5. Pursuant to Section 53338(a) of the Act, the issue of the alteration of the Rate and Method of Apportionment shall be submitted to the qualified electors of the District in a ballot measure, the form of which is attached hereto as Exhibit B, which Exhibit is by this reference incorporated herein. Said form of ballot is hereby approved.

6. The Board of Directors of the Authority hereby finds that at least 12 persons have been registered to vote within the territory of the District that is subject to the levy of special taxes by the District for each of the 90 days preceding the close of the public hearing heretofore conducted and concluded by the Board of Directors of the Authority for the purposes of these proceedings. Accordingly, and pursuant to Section 53326(b) of the Act, the Board of Directors of the Authority finds that for purposes of these proceedings the qualified electors are the persons registered to vote as of the date of this Resolution with addresses located within the area of the District that is subject to the levy of special taxes by the District and that the vote shall be by said registered voters, each having one vote.

7. The Board of Directors of the Authority hereby calls a special election to consider the ballot measure described in Section 5 hereof, which election shall be held on October 7, 2005; provided that the election may be concluded and canvassed on such earlier date as the election official has received ballots from all of the eligible electors. The Clerk of the Board is hereby designated as the official to conduct said election. It is hereby acknowledged that the Clerk of

the Board has on file a copy of this Resolution and the Resolution of Consideration, a map of the proposed boundaries of the District, and a sufficient description to allow the Clerk of the Board to determine the boundaries of the District.

The voted ballots shall be returned to the Clerk of the Board no later than 5:30 p.m. on October 7, 2005; provided that if all of the qualified electors have voted, the election shall be closed.

8. Pursuant to Section 53327 of the Act, the election shall be conducted by mail or hand-delivered ballot pursuant to the California Elections Code.

9. The Board hereby directs the Clerk of the Board to take all actions necessary under the Act and the California Elections Code, including publication of a notice of time limit to submit ballot arguments, to conduct the election. The Clerk of the Board shall mail the ballots to the qualified electors along with return envelopes and the election materials, in accordance with Section 53327.5 of the Act, and shall certify as to the proper mailing of the ballots by affidavit, pursuant to Section 53326(d) of the Act.

Special Counsel to the Authority, Quint & Thimmig LLP, is hereby directed to prepare an impartial analysis of the ballot measure, and MuniFinancial is hereby directed to prepare a tax rate statement, to be included with the ballot materials along with any arguments and rebuttals with respect to the ballot measure.

10. The Clerk of the Board shall accept the ballots of the qualified electors upon and prior to 5:30 p.m. on October 7, 2005, whether the ballots be personally delivered or received by mail. The Clerk of the Board shall have available ballots which may be marked at the Authority's offices on the election day by the qualified electors.

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

PASSED AND ADOPTED at a meeting of the Board of Directors of the Fort Ord Reuse Authority this 8th day of July 2005, by the following vote:

AYES: 12 Board Members Mettee-McCutchon, Russell, Rubio, Albert, Smith, Potter, Calcagno, Pendergrass, McCloud, Morrison, Mancini, and Sanchez)


NOES: -0-

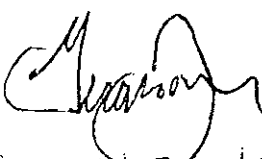
ABSTAIN: -0-

ABSENT: 1 Board Member Costello

I, ILA METTEE-MCCUTCHON, Chair of the Board of Directors of the Fort Ord Reuse Authority of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of the said Board of Directors duly made and entered under Item 8c, page 3, of the board meeting minutes of July 8, 2005 thereof, which are kept in the Minute Book resident in the offices of the Fort Ord Reuse Authority.

DATED: 7/14/05

By: 
ILA METTEE-MCCUTCHON
Chair, Board of Directors
Fort Ord Reuse Authority


(Gerald Bowden,
Authority Counsel)

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EXHIBIT A

PROPOSED ALTERATION OF THE RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES FOR THE FORT ORD REUSE AUTHORITY BASE WIDE COMMUNITY FACILITIES DISTRICT

It is proposed that the Rate and Method of Apportionment of Special Taxes for the Fort Ord Reuse Authority Basewide Community Facilities District be altered by adding the following to Section IV of the Rate and Method of Apportionment of Special Taxes under the heading "Exceptions":

Affordable Housing/Below Market Housing:

A three tier reduced Maximum Special Tax (see attached) shall apply as follows below for New Residential Property that includes Below Market Housing. For the purposes of this subsection, the following definitions of Affordable Housing and Below Market Housing apply to all three tiers. "Affordable Housing" refers to dwelling units on New Residential Property that have sales prices or rents restricted to rates that are affordable to households to very low, low, and moderate income levels, which includes incomes up to 120 percent of the Monterey County median household income for a period consistent with California Health and Safety Code Redevelopment Law ("State Law") as determined by the CFD Administrator. "Below Market Housing" refers to dwelling units on New Residential Property that have sales prices or rents restricted to rates that are affordable to households with incomes up to 180 percent of the Monterey County median household income. It is the policy of the Fort Ord Reuse Authority ("FORA") Board to have the Below Market Housing restrictions continue for a minimum of 20 years from first occupancy of that project. During this period, sales, resales, and rentals must continue to meet the Below Market Housing restrictions. These restrictions will be enforced by FORA through the term of the FORA Community Facilities District and thereafter will be enforced by adopted covenants securing the reduced fee.

Tier 1: 100% of the dwelling units are Below Market Housing containing at least 20% of the dwelling units as Affordable Housing with deed restrictions on where individuals can work. If New Residential (see attached) property (a) includes 100 percent Below Market Housing, and (b) at least 20 percent of the dwelling units are restricted to households that earn up to 120 percent of the Monterey County median household income which includes households earning at the very low, low, and moderate income levels as defined in State Law, and (c) 100 percent of the dwelling units have deed restrictions that limit sale or renting to only those individuals that work within the boundaries of the former Fort Ord and are offered exclusively as part of an ongoing employer-based housing program to provide Below Market Housing for employees of that employer, then the Maximum Special Tax shall be levied at 1/20th or five percent of the New Residential Maximum Special Tax rate on all dwelling units. As long as the specified ongoing employer-based housing program continues in effect, the units may be offered on an interim basis to other certified employees of employers located on the former Fort Ord. Units cannot be rented or resold in the private market at market rates during the

life of the housing program. When employees or employees of qualified employers leave their jobs on the former Fort Ord, those units revert to employees of the original on-base employer that created the program.

Tier 2: 100% of the dwelling units are Below Market Housing containing at least 75% of the dwelling units as Affordable Housing, with NO deed restrictions on where individuals can work. If New Residential property (a) includes 100 percent Below Market Housing, and (b) at least 75 percent of the dwelling units are restricted to households that earn up to 120 percent of the Monterey County median household income which includes households earning at the very low, low, and moderate income levels as defined in State Law, but (c) there is no requirement that household members work within the boundaries of the former Fort Ord, then the Maximum Special Tax shall be levied at the Existing Residential (see attached) Maximum Special Tax rate on all dwelling units.

Tier 3: Inclusion of market rate housing. If New Residential property includes market rate housing then the Maximum Special Tax shall be levied at the Existing Residential Maximum Special Tax rate only for those Affordable Housing dwelling units that are in excess of the Affordable Housing dwelling units required to meet the requirements of (a) California Law and (b) any adopted affordable housing policy of the local agency within which the Property is located. All other Below Market Housing, Affordable Housing and market-rate dwelling units shall pay the Maximum Special Tax rate for New Residential property.

Special Tax Credit for Dedicated Public Facilities Eligible for funding by the CFD:

If an owner of Taxable Property (see attached) dedicates a public facility eligible for funding by the CFD to a public agency, and if the public agency accepts the dedicated facility prior to the levy of the Special Tax on that Taxable Property, then the Special Tax levied on that Taxable Property shall be reduced by the value of the dedicated public facility. The value of the dedicated public facility for the purposes of calculating the reduction in the Special Tax shall be determined by the CFD Administrator, and shall be the estimated cost of the FORA portion of the public facility cost represented in the most recent FORA Capital Improvement Program. Nothing in this section precludes a land use jurisdiction from issuing an overlay CFD to pay off the Special Taxes due on Taxable Property. The Special Tax levied on such Taxable Property shall be reduced by the value of any dedicated public facility prior to the payment by the overlay CFD.

SET FORTH BELOW IS THE ORIGINAL RATE AND METHOD OF APPORTIONMENT AS RECORDED ON MAY 22, 2002 IN THE NOTICE OF SPECIAL TAX LIEN:

**FORT ORD REUSE AUTHORITY
BASEWIDE COMMUNITY FACILITIES DISTRICT**

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

I. Introduction

Special Taxes authorized under the Mello-Roos Community Facilities Act of 1982, as amended, applicable to the land in the Fort Ord Reuse Authority Basewide Community Facilities District (the "CFD") shall be levied and collected as herein provided, according to the tax liability determined through the application of the rate and method of apportionment described below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, shall be taxed for the purpose, to the extent, and in the manner herein provided.

II. Definitions

Where used in this Rate and Method of Apportionment of Special Tax, capitalized 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 an Assessor's Parcel Map, the land area shown on the applicable final map or other map of record.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Sections 53311 and following of the California Government Code.

"Assessor's Parcel" means a lot or parcel in the CFD shown on an official map of the County Assessor of the County of Monterey and assigned a discrete identifying Assessor's Parcel Number.

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

"Assessor's Parcel Number" means a discrete identifying number assigned to an Assessor's Parcel and shown on an Assessor's Parcel Map.

"Base Year" means the Fiscal Year beginning on July 1, 2001, and ending on June 30, 2002.

"Board" means the Governing Board of FORA, acting as the legislative body for the CFD under the Act.

"CFD" means the Fort Ord Reuse Authority Basewide Community Facilities District.

“CFD Administrator” means an official of FORA, or designee thereof, responsible for the levy and collection of the Special Taxes.

“County” means the County of Monterey, California.

“County Assessor” means the Assessor of the County.

“Developed Property” means, for each Fiscal Year, all Property for which, prior to June 30 of the prior Fiscal Year and after September 1, 2001, either a building permit or a certificate of occupancy has been issued, whichever is issued earlier, that enables the construction of new buildings, the rehabilitation or renovation of housing existing as of September 1, 2001, or expansion of the useable area of buildings that is designed to accommodate additional employees and related impacts or that intensifies the use of a Property.

“Exempt Property” refers to Assessor’s Parcels within the CFD which currently satisfy, or upon final map recordation will satisfy, one or more of the following conditions:

- Public Property, but not including any Possessory Interest Held by Non-exempt Entity with respect to any Public Property;
- Property which is, or will irrevocably be dedicated for, public use, including but not limited to streets, public easements, public rights-of way, detention basins, etc.;
- Property which is unmanned utility property;
- Property designated as permanent park or as open space;
- Other Property which is determined by the CFD Administrator as having no intrinsic value upon foreclosure, such as sliver parcels at entries, monuments, landscaped parcels on a perimeter, etc.;
- Property exempt from the levy of Special Taxes by operation of law; and
- At any time, Property for which the Special Tax has been paid in full.

“Existing Residential” means Property that is designated for low density, medium density, or high density housing uses as those uses are defined in the Fort Ord Base Reuse Plan, Table 3.4-1, and that will include the rehabilitation or renovation of housing located in the CFD as of September 1, 2001. The CFD Administrator shall defer to an appropriate official of local jurisdiction with development approval authority over the Property for classification of the Property as either Existing Residential or New Residential, as long as that definition is reflective of definitions for rehabilitated or renovated housing commonly used among local jurisdictions.

“Final Nonresidential Subdivision” means a subdivision of Property for the purposes of nonresidential development by a condominium plan or through the recordation of a final map, parcel map, or lot line adjustment, resulting in a final configuration that enables the issuance of building permits.

“Final Residential Subdivision” means a subdivision of Property for the purposes of residential development by a condominium plan or through the recordation of a final map, parcel map, or lot line adjustment, resulting in a final configuration that enables the issuance of building permits.

“Fiscal Year” means the period starting July 1 and ending the following June 30.

“FORA” means the Fort Ord Reuse Authority.

“Hotel” means Property that is designated for visitor serving uses as those uses are defined in the Fort Ord Base Reuse Plan, Table 3.4-1

“Incidental Expenses” means such expenses as authorized to be incurred and financed in the proposed financing program of the CFD, whether incurred by FORA or its successor entity or entities, for purposes of administration of the CFD and the Special Tax.

“Industrial” means Property that is designated for business park/light industrial uses as those uses are defined in the Fort Ord Base Reuse Plan, Table 3.4-1

“Maximum Special Tax” means the Special Tax identified for each class of Property in Section IV hereof that is to be levied on Taxable Property.

“New Residential” means Property that is designated for low density, medium density, or high density housing uses as those uses are defined in the Fort Ord Base Reuse Plan, Table 3.4-1, and that will not include the rehabilitation or renovation of housing existing on the former Fort Ord as of September 1, 2001. The CFD Administrator shall defer to an appropriate official of the local jurisdiction with development approval authority over the Property for classification of the Property as either Existing Residential or New Residential, as long as that definition is reflective of definitions for rehabilitated or renovated housing commonly used among local jurisdictions.

“Office” means Property that is designated for office and/or research and development uses, as those uses are defined in the Fort Ord Base Reuse Plan, Table 3.4-1

“Possessory Interest Held by Non-exempt Entity” means an interest in real property (whether fee title or possessory interest) that is generally subject to taxation under applicable California law.

“Property” means Assessor’s Parcels (as of January 1 of the previous Fiscal Year, or through June 30 of the previous year if adjustments are made after January 1 by the County Assessor or Treasurer/Tax Collector).

“Public Property” means any Assessor’s Parcel that is (1) publicly owned, and is (2) normally exempt from the levy of general ad valorem property taxes under California law, including public streets, public schools, public parks and public drainage ways, public landscaping, public greenbelts, and public open space.

“Retail” means a means Property that is designated for convenience and specialty retail, neighborhood retail, and regional retail uses, as those uses are defined in the Fort Ord Reuse Plan, Table 3.4-1

“Special Tax” means the special tax to be levied under the Act and this Rate and Method of Apportionment of Special Taxes, on Taxable Property.

“Taxable Property” means any Assessor’s Parcel that is not Exempt Property. This term includes Developed Property and Undeveloped Property.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property that is not Developed Property.

III. Assignment to Land Use Categories

Each Fiscal Year, all Property shall be classified by the CFD Administrator as Taxable Property or Exempt Property. Taxable Property includes any Possessory Interest Held by Non-exempt Entity with respect to any Public Property. All Taxable Property shall be subject to the Special Tax in accordance with the Maximum Special Tax Rates and method of apportionment described in Sections IV and V below. All Exempt Property shall not be subject to the levy of the Special Tax.

For purposes of determining the applicable Maximum Special Tax for each Taxable Property, all Taxable Property shall be assigned to one of the land use classes designated in Table 1 in Section IV below.

For Assessor’s Parcel of Developed Property that contain more than one land use class shown in Table 1 in Section IV, the Maximum Special Tax for the Assessor’s Parcel shall be the sum of the Maximum Special Tax for all land use classes located on that Assessor’s Parcel. For an Assessor’s Parcel that contains either New Residential or Existing Residential Property and Property assigned to other land use classes, the Acreage of such Assessor’s Parcel shall be allocated to each type of property based on the amount of Acreage designated for each land use class as determined by the CFD Administrator by reference to the site plan approved for such Assessor’s Parcel. The CFD Administrator’s allocation to each type of Property shall be final.

IV. Maximum Special Tax Rates

The Maximum Special Tax Rates for each classification of Taxable Property, except those listed under “Exceptions” below, are shown in Table 1.

Table 1 – Taxable Property Classifications and Maximum Special Tax Rates

Property Classification	Maximum Special Tax Rates (One-time Special Tax Payments)
Undeveloped Property	\$ - 0 -
Developed Property	
New Residential	\$34,324 / Dwelling Unit
Existing Residential	\$10,320 / Dwelling Unit
Office	\$ 4,499 / Acre
Industrial	\$ 4,499 / Acre
Retail	\$92,768 / Acre
Hotel	\$ 7,653 / Room

Increase in the Maximum Special Tax Rates

On each July 1, commencing July 1, 2002, the Maximum Special Tax Rates shown in Table 1 shall be increased by an amount equal to the lesser of (1) five percent (5%) or (2) the percentage change since the immediately preceding Fiscal Year in the Engineering News Record's Construction Cost Index applicable to the area in which the District is located (or, if such index is no longer published, a substantially equivalent index selected by the CFD Administrator).

Per Section 53321(d) of the Act, Special Taxes shall not be levied after Fiscal Year 2013-14 or the termination of FORA, whichever is later, but in no circumstances shall the Special Tax be levied later than calendar year 2051.

Exceptions: Notwithstanding the foregoing, the Maximum Special Taxes for the following described Property shall be determined as set forth below:

Hayes Housing: For new residential units on Assessor's Parcel Number 031-051-012 (map index no. 127), also known as the Hayes Housing project, the Maximum Special Tax Rate per unit shall be the New Residential Maximum Special Tax determined as set forth above for the applicable Fiscal Year, less \$10,000.

Cypress-Patton: For that Property known as the Cypress-Patton housing project, defined as the area within Assessor's Parcel Number 031-021-037 (map index no. 17), but excluding all areas of said parcel south of 12th St., west of 2nd Ave., south of 13th St. and west of the easterly boundary of Highway 1, plus all the areas within Assessor's Parcel Numbers 031-021-010 (map index no. 36), 031-021-028 (map index no. 40), and 031-021-029 (map index no. 37), the Maximum Special Tax for Fiscal Year 2001-2002 shall be \$4,638,400 in total for all new and existing residential units regardless of the number of units, and said Maximum Special Tax shall increase at a rate

of not to exceed the lesser of the increase described in the paragraph following Table 1 above or two percent (2%) each subsequent Fiscal Year.

UC Property: UC Property consists of all land at the former Fort Ord owned or screened for transfer to the University of California ("UC"), consisting of the Assessor Parcel Numbers and Map Index Numbers as listed in the table below:

Assessor Parcel Number	Map Index Number
031-111-006	3
031-111-029	15
031-111-027	27
031-121-007	25
031-121-002	163
031-121-003	26
031-111-011	22
031-111-009	8
031-111-010	18
031-101-018	63
031-121-009	60
031-121-008	52

For development on UC Property, the actual cost of habitat management activities incurred by UC on UC Property will be credited against the Special Tax otherwise due on UC Property to the extent that such habitat management activities are required by the Installation Wide Multispecies Habitat Management Plan for Fort Ord ("HMP") and its related Habitat Conservation Plan ("HCP") and to the extent that such actual costs are consistent with estimates made by the Center for Natural Lands Management or some other mutually acceptable third party of the cost of implementing the HMP and HCP on UC Property, all as determined by the CFD Administrator.

Marina Airport and Seaside Golf Course: Per the definition of Developed Property, Assessor's Parcel Number 031-111-026 (map index no. 6), known as Marina Airport, and Assessor's Parcel Number 031-051-005 (map index no. 124), known as Seaside Golf Course, will not be classified as Developed Property until a building permit is issued for an increase of square footage of a building or buildings through the addition of additional stories or a basement or any area outside the existing footprint of any building. Special Taxes will only be paid on the new square footage being added.

Social Service
Providers:

Properties identified for development by the following four social service entities shall be subject to a Maximum Special Tax of \$8,900 per building unit if, by May 1, 2002, they remit to the CFD an amount determined by the CFD Administrator to be ten percent (10%) of the total Special Tax that will be due and payable for their respective development and they present evidence to the CFD Administrator by May 1, 2002, that they have a building permit for their respective development, they are negotiating a disposition and development agreement with a public entity for their respective development, or they otherwise have applied for federal or State funds necessary to complete their development. The four social service entities are: Veterans Transition Center; Interim, Inc.; Shelter Outreach Plus; and Community Human Services.

V. Levy of the Special Tax

The Special Tax shall be levied on, and shall be due and payable for, each Property that is Taxable Property at the time the respective Assessor's Parcel first becomes Developed Property. The Special Tax so levied on an Assessor's Parcel shall be the Maximum Special Tax in effect for the Fiscal Year in which such Assessor's Parcel is so classified as Developed Property. After a Taxable Property has paid the Special Tax, the CFD Administrator may record a release of special tax lien for such Taxable Property.

VI. Manner of Collection

The Special Tax shall be due and payable at the time an Assessor's Parcel is classified as Developed Property. Special Taxes shall be collected by direct billing of the owner of the respective Assessor's Parcel, and is to be paid prior to or concurrently with the issuance of a building permit or a certificate of occupancy has been issued, whichever is issued earlier. However, the CFD may collect the Special Tax in a different manner as determined by the CFD Administrator if necessary to meet its financial obligations or otherwise determined to be more efficient in the circumstances. Notwithstanding the foregoing, (1) Special Taxes levied on Property identified as "Cypress-Patton" in Section IV above shall be collected as such property becomes Developed Property, but no further levy or collection shall occur after the CFD has received the total amount for such property referenced in Section IV above; (2) any applicable credit against Special Taxes for Property identified as "UC Property" in Section IV above shall be determined by the CFD Administrator at each time Special Taxes would otherwise be due with respect to such Property, and in no event shall any rebate of Special Taxes already paid be made by reason of any credit amount arising after Special Taxes have been paid; (3) Special Taxes levied on Property identified as "Marina Airport and Seaside Golf Course" in Section IV above shall be levied as described in Section IV; and (4) Special Taxes levied on property described as "Social Service Providers" in Section IV above shall take into account any amount paid as of May 1, 2002 and shall otherwise be levied at the rate described in the text opposite such Property description in Section IV.

EXHIBIT B

**FORT ORD REUSE AUTHORITY
BASEWIDE COMMUNITY FACILITIES DISTRICT**

OFFICIAL BALLOT

**SPECIAL ELECTION REGARDING ALTERATION OF
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES**

This ballot is for a special mail ballot election. You must return this ballot in the enclosed postage paid envelope to the Clerk of the Board of the Fort Ord Reuse Authority no later than 5:30 p.m. on October 7, 2005, either by mail or in person.

To vote, mark a cross (X) on the voting line after the word "YES" or after the word "NO". All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the Clerk of the Board of the Fort Ord Reuse Authority and obtain another.

BALLOT MEASURE: Shall the rate and method of apportionment of the special taxes levied within the Fort Ord Reuse Authority Basewide Community Facilities District be altered as described in the Resolution of the Board of Directors of the Fort Ord Reuse Authority adopted on July 8, 2005, entitled "Resolution Calling Special Election Regarding Alteration of Rate and Method of Apportionment of Special Taxes"?

Yes: _____

No: _____