

**Tax Rate Statement In Connection With  
City of Millbrae Recreation Center Bond Measure \_\_\_\_**

An election will be held in the City of Millbrae (the "City") on November 6, 2018, to authorize the sale of up to \$12,000,000 of bonds of the City to finance the Millbrae Recreation Center as described in the bond measure. If such bonds are authorized and sold, principal and interest on the bonds will be payable only from the proceeds of *ad valorem* tax levies made upon the taxable property in the City. The following information is provided in compliance with Sections 9400-9404 of the Elections Code of the State of California. Such information is based upon the best estimates and projections presently available from official sources, upon experience within the City, and other demonstrable factors.

Based upon the foregoing and projections of the City's assessed valuation, the following information is provided:

1. The best estimate of the average annual tax rate which would be required to be levied to fund the bond issue over the entire duration of the bond debt service, based on a projection of assessed valuations available at the time of filing of this statement, is 0.87 cents per \$100 of assessed valuation (or \$8.70 per \$100,000 of assessed value). The final fiscal year in which it is anticipated that the tax will be collected is 2048-2049.
2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on a projection of assessed valuations available at the time of filing of this statement, is 1.35 cents per \$100 of assessed valuation (or \$13.50 per \$100,000 of assessed value). It is estimated that the first fiscal year that such rate would be levied is 2019-2020.
3. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is approximately \$21,536,000.

Voters should note that such estimated tax rates are specific to the repayment of bonds issued under this authorization and are and will be in addition to tax rates levied in connection with other bond authorizations approved or to be approved by the City or any other overlapping public agency.

Voters should note that the estimated tax rate is based on the assessed value (not market value) of taxable property on the County's official tax rolls. In addition, taxpayers eligible for a property tax exemption, such as the homeowner's exemption, will be taxed at a lower effective tax rate than described above. Property owners should consult their own property tax bills and tax advisors to determine their property's assessed value and any applicable tax exemptions.

The attention of all voters is directed to the fact that the foregoing information is based upon projections and estimates only, which amounts are not maximum amounts

and are not binding upon the City. The actual debt service, tax rates and the years in which they will apply may vary from those used to provide the estimates set forth above, due to factors such as variations in the timing of bond sales, the par amount of bonds sold and market interest rates available at the time of each sale, actual assessed valuations over the term of the bonds, and other factors. The date and amount of bonds sold at any given time will be determined by the City based on the need for project funds and other considerations. The actual interest rates at which the bonds will be sold will depend on conditions in the bond market at the time of sale. Actual future assessed valuations will depend upon the amount and value of taxable property within the City as determined by the County Assessor in the annual assessment and the equalization process.

By:   
Deputy City Manager/Finance Director  
City of Millbrae