

## TAX RATE STATEMENT

An election will be held in the City of Piedmont (the “City”) on November 3, 2020, to authorize the sale of up to \$19,500,000 in bonds of the City to finance the municipal improvements listed in the bond measure. If such bonds are authorized, the City expects to sell the bonds in one or more series. Principal and interest on the bonds will be payable solely from the proceeds of ad valorem tax levies made upon the taxable property in the City. The following information is provided in compliance with applicable provisions of the California Elections Code. Such information is based upon the best estimates and projections presently available from official sources, and other demonstrable factors.

Based upon the foregoing and projections of the City’s assessed valuation:

1. The best estimate of the average annual tax rate that would be required to be levied to fund the bond issue over the entire duration of the bond debt service, based on assessed valuations available at the time of filing of this statement is \$0.0262 per \$100 (or \$26.20 per \$100,000) of assessed valuation of all property to be taxed. The best estimate of the final fiscal year in which the tax is anticipated to be collected is 2051.
2. The best estimate of the highest tax rate that would be required to be levied to fund the bond issue, based on assessed valuations available at the time of filing this statement is \$0.0262 per \$100 (or \$26.20 per \$100,000) of assessed valuation of all property to be taxed. The best estimate of the first fiscal year in which the highest tax rate will apply is 2025.
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 \$37,446,788.

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 voters of the City or any other overlapping public agency.

Voters should note that estimated tax rate is based on the ASSESSED VALUE of taxable property within the City as shown on Alameda County’s official tax rolls, not on the property’s market value. 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 to determine their property’s assessed value and any applicable tax exemptions.

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 or durations and are not binding upon the City. The actual debt service amounts, tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the rating for the bonds, the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be determined by the City based on need for funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend

upon the amount and value of taxable property within the City as determined by the Alameda County assessor in the annual assessment and the equalization process.

CITY OF PIEDMONT

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Sara Lillevand  
City Administrator

August 4, 2020