HOWARD COUNTY, MARYLAND  
CRESCENT SPECIAL TAXING DISTRICT  

RATE AND METHOD OF APPORTIONMENT  
OF SPECIAL TAXES  

A Special Tax is hereby levied and shall be collected in the Crescent Special Taxing District (the “District”) each Fiscal Year, beginning with the Commencement Date and continuing until the Termination Date, in an amount determined through the application of the procedures described below. All of the real and personal property in the District, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms used herein shall have the following meanings:

“Act” means Sections 21-501 through 21-523, inclusive, of the Local Government Article of the Annotated Code of Maryland, as amended from time to time.

“Adjusted Maximum Special Tax” means the Special Tax determined in accordance with Section B.3.

“Administrative Expenses” means any or all of the following costs and expenses of the County incurred in connection with the discharge of its duties in connection with the administration of the District or the Bonds, including without limitation: the costs and expenses of the County in carrying out its duties under the Indenture of Trust, including, but not limited to, calculating, levying and collecting the Special Tax (whether collected by the County or otherwise) and complying with arbitrage rebate requirements and obligated persons disclosure requirements associated with applicable federal and state securities law, including an allocable share of the salaries of the County staff directly related to the administration of the District and a proportionate amount of County general administration overhead related thereto, and the out-of-pocket costs and expenses of the County for any professionals retained by the County to provide services for such purposes; any amounts required to be rebated by the United States of America to comply with the arbitrage rebate requirements applicable to the Bonds, including payments in lieu of rebate; fees payable for any bond insurance or other financial guaranty or credit enhancement with respect to any Bonds or under the Indenture of Trust, including, without limitation, any credit facility for any reserve fund; any unpaid cost or expense of the County, including, without limitation, fees and expenses of legal counsel and any professionals retained by the County, for which the County is entitled to indemnification pursuant to a development agreement or other agreements relating to the District incurred in connection with the defense by the County or the bringing by the County of any claim, demand, suit or cause of action relating to the issuance of any Bonds, the establishment of the District, the levy or collection of Special Tax or any other matters related thereto; any fees, expenses or costs included in the definition of Administrative Expenses set forth in the Indenture of Trust and not specifically included herein; all other costs and expenses of the County, the Trustee, and the Administrator incurred in
connection with the discharge of their respective duties, including legal fees and expenses associated with such duties.

“Administrator” means the designee of the County for purposes of estimating the annual Special Tax Requirement and the Special Tax to be collected each Fiscal Year and for providing other services as required herein or by the Indenture of Trust.

“Bonds” means any bonds or other debt, including refunding bonds, whether in one or more series, issued for the District by the County pursuant to the Act.

“Building Square Footage” or “BSF” means the actual, or for property not yet developed, the estimated, leasable building area as shown on the building permit, architectural plans or other available documents, as estimated by the Administrator.

“Commencement Date” means the first Fiscal Year in which Special Taxes are levied and may be collected, which shall be the first Fiscal Year after the issuance of the Bonds.

“Completion of Construction” means the later of (i) completion of all of the Public Improvements as evidenced by a certificate of completion (as provided for in the Indenture of Trust) and (ii) the end of the capitalized interest period on the Bonds.

“County” means Howard County, Maryland.

“Date of Classification” means the date each year determined by the County to classify property for purposes of determining the Special Tax for each Parcel.

“Developed Property” means Parcels of Taxable Property for which a building permit has been issued that allows the construction of a structure.

“Development District” means the Downtown Columbia Development District pursuant to a resolution enacted by the County.

“Director of Finance” means the official of the County who is the director of finance or other comparable officer of the County or designee thereof.

“District Maximum Special Tax” means $7,727,599 for the 2016-2017 Fiscal Year. On each July 1, commencing July 1, 2017, the District Maximum Special Tax shall be increased to 102 percent of the District Maximum Special Tax in effect in the previous Fiscal Year. The District Maximum Special Tax as of any date shall be reduced for (i) any prepayments of Special Taxes pursuant to Sections J, K, or L occurring prior to such date and (ii) a reduction in Maximum Special Tax pursuant to Section H.
“Equivalent Units” means:

- Residential Rental A Property 1.00 Per Unit
- Residential Rental B Property 0.64 Per Unit
- Residential Rental C Property 0.15 Per Unit
- Residential Rental D Property 0.52 Per Unit
- Residential For Sale A Property 1.74 Per Unit
- Residential For Sale B Property 1.52 Per Unit
- Office Property 1.05 Per 1,000 BSF
- Retail Property 1.75 Per 1,000 BSF
- Hotel Property 0.49 Per Room

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

“Hotel Property” means property used or intended for use as hotel facilities, including any ancillary space thereto.

“Indenture of Trust” means the indenture of trust relating to the Bonds, as modified, amended and/or supplemented from time to time.

“Mandatory Prepayment of the Special Tax” means the required partial prepayment of the Special Tax pursuant to Section L.

“Maximum Special Tax” means the Special Tax determined in accordance with Section B.1 or B.2.

“Maximum Special Tax Rates” means the Special Tax determined in accordance with Section B, as reduced pursuant to Section H.

“Net Land Area” means the estimated area of Taxable Property of a Parcel on which buildings or related improvements may be constructed, taking into consideration the development legally permissible, the proposed or planned development, and existing or proposed Public Property, exclusive use easements, and other areas on which development may not occur.

“Office Property” means property used or intended for use primarily as office facilities, including any ancillary space thereto.

“Owner Association Property” means, for any Fiscal Year, any real property within the boundaries of the District that is owned by or irrevocably offered for dedication to a property owner's association and available for use in common by property owners.

“Parcel” means a lot or parcel of real property within the District with a parcel number assigned by the tax collector or a separate legal parcel identified by the County for purposes of collecting Special Taxes.
“Proportionately” means that the ratio of the actual Special Tax to be collected as a percent of the Adjusted Maximum Special Tax is equal for each Parcel (excluding those Parcels for which the Adjusted Maximum Special Tax is zero).

“Public Improvements” means those public improvements the County has authorized to be constructed for the benefit of the District and funded by the Bonds.

“Public Property” means property within the boundaries of the District owned by, or irrevocably offered for dedication (in a plat map approved by the County or otherwise) to, the federal government, State of Maryland, the County, other entities exempt from taxation for public purposes, or other public agency or instrumentality, or easements for the exclusive use of a public utility provider; provided, however, that exclusive use utility easements and real property that has been irrevocably dedicated includes only those parcels or portions of parcels for which a copy of the easement or offer has been provided to the Administrator.

“Required Maximum Special Tax” means the required Maximum Special Tax, if any, as provided for in the Indenture of Trust.

“Residential For Sale A Property” means stacked flats, more specifically Residential Property not classified as Residential Rental Property or Residential For Sale B Property that generally consists of units either above or below other units for sale to the general public, including any ancillary uses thereof.

“Residential For Sale B Property” means townhomes, more specifically Parcels of Residential Property not classified as Residential Rental Property that is a detached building containing three or more attached dwelling units that are generally attached residential dwelling units located side by side (but not stacked), including any ancillary uses thereof.

“Residential Property” means Taxable Property for which a building permit has been or is intended to be issued for purposes of constructing a residential dwelling unit(s).

“Residential Rental Property” means Residential Property consisting of a detached building containing three or more rental dwelling units that is part of a residential planned and managed development for rent and under common management, including any ancillary uses thereof.

“Residential Rental A Property” means Residential Rental Property consisting of a detached building containing three or more rental dwelling units that is part of a residential planned and managed development for rent and under common management, excluding Residential Rental Property B, Residential Rental Property C, and Residential Rental Property D, including any ancillary uses thereof.

“Residential Rental B Property” means Residential Property acting as a detached building containing three or more rental dwelling units that is part of a residential planned and managed development for rent and under common management, available for occupancy by a household with income of not more than 80% of the Howard County median income, including any ancillary uses thereof.
“Residential Rental C Property” means Residential Property consisting of a detached building containing three or more rental dwelling units that is part of a residential planned and managed development for rent and under common management, available for occupancy by a household with an income of not more than 60% of the Howard County median income, and eligible for low income housing tax credits, including any ancillary uses thereof.

“Residential Rental D Property” means Residential Property consisting of a detached building containing three or more rental dwelling units that is part of a residential planned and managed development for rent and under common management, available for occupancy by a household with an income of not more than 60% of the Howard County median income, including any ancillary uses thereof.

“Retail Property” means property used or intended for use primarily as retail, including restaurants, selling goods or services to the general public, including any ancillary uses thereof.

“Special Tax” means the special tax that has been levied and that may be collected each year by the County on Taxable Property to fund the Special Tax Requirement.

“Special Tax Credit” means, for any Fiscal Year, Tax Increment Revenues related to the Parcel available to apply as a Special Tax Credit pursuant to the Indenture of Trust and included in the Special Tax Requirement for that Fiscal Year. (The Special Tax Credit shall not include Tax Increment Revenues set aside for the County pursuant to the Indenture of Trust.) For purposes of calculating the Tax Increment Revenues for each Parcel, the base year value shall be allocated to each Parcel on the basis of the assessed value of the land of each Parcel.

“Special Tax Requirement” has the meaning given to it in Section D.1.

“Tax Increment Fund” means the account of such name established for the Development District pursuant to a resolution enacted by the County.

“Tax Increment Revenues” means the amounts paid or to be paid into the Tax Increment Fund each year by the County that are available to be applied to reduce the Special Tax Requirement pursuant to the Indenture of Trust.

“Taxable Property” means any Parcel that is not Public Property or Owner Association Property.

“Termination Date” means the last Fiscal Year in which Special Taxes have been levied and may be collected as provided for in Section G.

“Trustee” means the trustee appointed by the County for the District to carry out the duties of the trustee specified in the Indenture of Trust.

“Undeveloped Property” means Parcels of Taxable Property not classified as Developed Property.
B. MAXIMUM SPECIAL TAX

1. Developed Property

The Maximum Special Tax for the 2016-2017 Fiscal Year for each Parcel of Developed Property shall be equal to the product of the number of residential dwelling units, Building Square Footage, and Hotel Property guest rooms that may be built on such Parcel and the Maximum Special Tax Rate for each class of property shown in Table A below.

<table>
<thead>
<tr>
<th>Property Class</th>
<th>Maximum Special Tax Rates per Unit/1,000 BSF/Room</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Rental A Property</td>
<td>$1,634 Per Unit</td>
</tr>
<tr>
<td>Residential Rental B Property</td>
<td>$1,046 Per Unit</td>
</tr>
<tr>
<td>Residential Rental C Property</td>
<td>$245 Per Unit</td>
</tr>
<tr>
<td>Residential Rental D Property</td>
<td>$850 Per Unit</td>
</tr>
<tr>
<td>Residential For Sale A Property</td>
<td>$2,843 Per Unit</td>
</tr>
<tr>
<td>Residential For Sale B Property</td>
<td>$2,484 Per Unit</td>
</tr>
<tr>
<td>Office Property</td>
<td>$1,716 Per 1,000 BSF</td>
</tr>
<tr>
<td>Retail Property</td>
<td>$2,859 Per 1,000 BSF</td>
</tr>
<tr>
<td>Hotel Property</td>
<td>$801 Per Room</td>
</tr>
</tbody>
</table>

On each July 1, commencing July 1, 2017, the Maximum Special Tax Rates shown in Table A shall be increased to 102 percent of the respective Maximum Special Tax Rate in effect in the previous Fiscal Year.

The computation of the number of units, BSF, or rooms for each Parcel shall be based on the information available regarding the use of the Parcel, which may include acreage and reasonable density ratios, and such computation shall be conclusive as long as there is a reasonable basis for such determination.

2. Undeveloped Property

The Maximum Special Tax for any Fiscal Year for each Parcel classified as Undeveloped Property shall be determined by the following formula:

\[ A = (B - C) \times \left( \frac{D}{E} \right) \]

Where the terms have the following meaning:

\[ A = \text{The Maximum Special Tax for a Parcel of Undeveloped Property} \]
3. Adjusted Maximum Special Tax

The Adjusted Maximum Special Tax for each Parcel shall be equal to the lesser of (but not less than zero) (i) the Maximum Special Tax for the Parcel and (ii) the amount calculated by the following formula:

\[ A = B - C \]

Where the terms have the following meaning:

- \( A \) = The Adjusted Maximum Special Tax for a Parcel
- \( B \) = The Maximum Special Tax for a Parcel calculated as set forth above
- \( C \) = The Special Tax Credit for the Parcel

The Special Tax Credit applied to all Parcels shall not exceed the Tax Increment Revenues applied to the Special Tax Requirement as provided for in Section D.1.

4. Personal Property

The Special Tax Rate on personal property shall be zero.

C. ASSIGNMENT TO LAND USE CATEGORIES

For each Fiscal Year, each Parcel shall be classified as Public Property, Owner Association Property, or Taxable Property. Each Parcel of Taxable Property shall be classified as Developed Property or Undeveloped Property. Each Parcel of Developed Property shall be classified as Residential Property, Office Property, Retail Property, or Hotel Property. Each Parcel of Residential Property shall be classified as Residential For Sale A Property, Residential For Sale B Property, Residential Rental A Property, Residential Rental B Property, Residential Rental C Property, or Residential Rental D Property. Each classification shall be made on the basis of the classification that most nearly matches the property being classified. The classification of Parcels shall be made based on the status of each Parcel as of the Date of Classification.

D. LEVY AND COLLECTION OF SPECIAL TAXES

Special Taxes are levied each Fiscal Year, beginning with the 2016-2017 Fiscal Year and continuing until the year provided for in Section G hereof, at the Maximum Special Tax. Special Taxes shall be collected each Fiscal Year as provided for below.

1. Special Tax Requirement
The Special Tax Requirement for any Fiscal Year shall be estimated by the Administrator and determined by the Director of Finance and shall be an amount equal to (A) the amount required in any Fiscal Year to pay: (1) debt service and other periodic costs (including deposits to any sinking funds) to be paid from the Special Tax collected in such Fiscal Year, (2) Administrative Expenses to be incurred in the Fiscal Year or incurred in any previous Fiscal Year and not paid by the District, (3) any amount required to replenish any reserve fund established in association with any Bonds, (4) a contingency, which may include estimated delinquencies expected in payment of Special Taxes, and (5) the costs of remarketing, credit enhancement, bond insurance, and liquidity facility fees (including such fees for instruments that serve as the basis of a reserve fund related to any indebtedness in lieu of cash) less (B) (1) Tax Increment Revenues available to apply to the Special Tax Requirement for that Fiscal Year, (2) any credits available pursuant to the Indenture of Trust, such as capitalized interest, reserves, and investment earnings on any account balances, and (3) any other revenues available to apply to the Special Tax Requirement.

2. Collection of the Special Tax

Commencing with Fiscal Year 2016-2017 and for each following Fiscal Year, the Special Tax shall be collected as provided below.

First: Special Taxes shall be collected Proportionately from each Parcel of Undeveloped Property up to the Adjusted Maximum Special Tax for such property to the extent necessary to fund the Special Tax Requirement.

Second: If additional monies are needed to fund the Special Tax Requirement after the first step has been completed, Special Taxes shall be collected Proportionately from each Parcel of Developed Property up to 100 percent of the Adjusted Maximum Special Tax for such property, to the extent necessary to fund the Special Tax Requirement.

The Administrator shall provide an estimate to the County prior to each Fiscal Year of the amount of Special Taxes to be collected from each Parcel in conformance with the provisions of this section.

3. Circumstances Under Which Special Taxes May Be Increased as a Result of a Default

Special Taxes levied on any Parcel may be increased as a result of a default in the payment of the Special Taxes levied on any other Parcel is based on the provisions of Section D.1. and D.2. The Special Taxes levied on any Parcel cannot be increased above the Adjusted Maximum Special Tax as a result of a default in the payment of Special Taxes levied on any other Parcel. However, if Special Taxes to be collected from any Parcel pursuant to the provisions of Sections D.1. and D.2. are less than the Adjusted Maximum Special Tax for such Parcel, the Special Tax to be collected may be increased up to the Adjusted Maximum Special Tax as a result of a default in the payment of the Special Tax to be collected from any Parcel.

E. EXEMPTIONS

The Special Tax is not levied on and shall not be collected from Public Property or Owner Association Property.
F. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary real property taxes; provided, however, the Special Tax may be collected at a different time or in a different manner as determined by the County, provided that such time or manner is not inconsistent with the provisions of the Indenture of Trust. The Special Tax shall be secured in the same manner as general ad valorem taxes and shall be subject to the same penalties and interest and the same procedure, sale and lien priority in case of delinquency as is provided for general ad valorem taxes.

G. TERMINATION OF SPECIAL TAXES

Except for any delinquent Special Taxes related penalties and interest, Special Taxes shall not be collected from any Parcel after the earlier of (i) the repayment or defeasance of the Bonds and (ii) such time provided for by the Indenture of Trust.

H. REDUCTION IN THE MAXIMUM SPECIAL TAXES

The Maximum Special Tax Rates and the District Maximum Special Tax may be reduced by the Director of Finance once all of the Bonds are issued to reflect the actual debt service on the Bonds such that the District Maximum Special Tax and the Maximum Special Tax that may be collected from all Parcels of Developed Property at the expected build-out of the District is equal to the minimum debt service coverage requirement provided for in the Indenture of Trust. The Director of Finance shall make any such reductions in writing and shall provide a copy of such reductions to the Administrator and the Trustee.

I. SPECIAL TAX APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct and requesting a refund may file a written notice of appeal and refund to that effect with the Director of Finance not later than one calendar year after the due date (i.e., July 1) for the Special Tax that is disputed. Such appeal may not affect the due date of the payment of the Special Tax. The Director of Finance, or the designee of the Director of Finance, shall promptly review all information supplied by the appellant in support of the appeal and, if necessary, meet with the property owner, and decide the appeal. If the decision of the Director of Finance requires the Special Tax to be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy or unless sufficient funds will otherwise be available to meet the Special Tax Requirement), but an adjustment shall be made to the next Special Tax levy on that Parcel. The decision of the Director of Finance may be appealed to the County’s chief administrative officer, who shall hold a hearing on the appeal and consider any written or oral evidence presented by appellant. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

J. PREPAYMENT OF SPECIAL TAXES

The Special Tax for any Parcel may be prepaid and the obligation to pay the Special Tax for the Parcel permanently satisfied as provided for herein. The Special Tax to be prepaid for Parcels of Undeveloped Property shall be calculated as if the Parcels were Developed Property.
The Special Tax prepayment amount shall be equal to the following: (a) the sum of the following: (i) Principal, (ii) Premium, (iii) Defeasance, and (iv) Fees, (b) less the Reserve Fund Credit, if any, plus any delinquent Special Tax on such Parcel, including any applicable penalties and related costs, where the terms have the following meanings:

**Principal** means a portion of the principal of the Bonds equal to (i) the Maximum Special Tax for the Parcel for which the Special Tax is being prepaid for the Fiscal Year in which such prepayment is made divided by (ii) the Maximum Special Tax for all Taxable Property in the District upon full development of the District using the Maximum Special Tax Rates for the Fiscal Year in which such prepayment is made with the result multiplied by (iii) the total Bonds outstanding after application of the Special Tax collected in the corresponding Fiscal Year plus any additional Bonds authorized to be issued.

**Premium** means an amount equal to the Principal multiplied by the applicable redemption premium for the Bonds to be redeemed on the earliest date on which such Bonds are to be redeemed, as provided for in the Indenture of Trust. There shall be no Premium if the prepayment is made prior to the issuance of any Bonds.

**Defeasance** means the amount needed to pay interest on the Principal until the earliest call date for the Bonds to be redeemed, less (a) the amount that is projected to be received by the Trustee from the reinvestment of the Special Tax prepayment until such Bonds are redeemed from the prepayment and (b) the Special Tax paid prior to the prepayment that will be applied to the interest on or principal of the Bonds that is included in the calculation of the Principal or Defeasance.

**Fees** means Administrative Expenses associated with the prepayment, including but not limited to the calculation of the prepayment, the costs of redeeming the Bonds (including, but not limited to, any costs associated with effectuating a defeasance in accordance with the Indenture of Trust), and the costs of recording or publishing any notices related to the prepayment and the redemption of the Bonds.

**Reserve Fund Credit** means any reduction in funds required to be on deposit in the reserve fund resulting from the redemption of Bonds, as provided for in the Indenture of Trust.

The sum of the amounts calculated herein shall be paid to the County or the Trustee and shall be used to pay and redeem the Bonds in accordance with the Indenture of Trust and to pay the Administrative Expenses associated with the prepayment. Upon the payment of such prepayment amount to the County or the Trustee, the obligation to pay the Special Tax for such Parcel shall be deemed to be permanently satisfied, and the Special Tax shall not be collected thereafter from such Parcel.
K. PARTIAL PREPAYMENT OF SPECIAL TAXES

The Special Tax for any Parcel may be partially prepaid in an amount convenient to call Bonds as determined by the Administrator and that portion of the Special Tax obligation permanently satisfied. The amount of the prepayment shall be calculated as in Section J; except, however, the principal portion shall be calculated according to the following formula:

\[ A = B \times C \]

Where the terms have the following meaning:

- \( A \) = the principal portion of the partial prepayment
- \( B \) = the principal portion of the prepayment calculated according to Section J
- \( C \) = the percent by which the Special Tax is to be partially prepaid

With respect to any Parcel for which the Special Tax is partially prepaid, the County shall (i) distribute the funds remitted to it according to the Indenture of Trust, and (ii) indicate in the records of the District that there has been a partial prepayment of the Special Tax and that this portion of the Special Tax shall not be collected thereafter from these Parcels. Following a partial prepayment of the Special Tax with respect to any Parcels, the outstanding percentage of the Special Tax shall continue to be collected from such Parcels.

L. MANDATORY PREPAYMENT OF SPECIAL TAXES

A Mandatory Prepayment of the Special Tax shall be required upon any event that results in a reduction in the number of Equivalent Units, if provided for in the Indenture of Trust, including the conversion of Taxable Property to Public Property, such that the Maximum Special Tax for all Taxable Property in the District upon full development of the District will be less than the Required Maximum Special Tax. A reduction in Equivalent Units shall be based on the methodology set forth in Indenture of Trust relating to the determination of the Required Maximum Special Tax.

The Mandatory Prepayment of Special Tax shall be calculated as set forth in Section J; however, “Principal” shall be calculated according to the following formula:

\[ A = \left( \frac{B - C}{D} \right) \times E \]

Where the terms have the following meaning:

- \( A \) = the principal portion of the Mandatory Prepayment of Special Tax
- \( B \) = the Required Maximum Special Tax
- \( C \) = the Maximum Special Tax for the Parcel, calculated as set forth above
- \( D \) = the Maximum Special Tax for all Taxable Property in the District upon full development of the District
- \( E \) = the total principal amount of Bonds outstanding.
The amounts calculated in the preceding formula shall be paid to the County or the Trustee in accordance with the Indenture of Trust and shall be used to pay and redeem the Bonds in accordance with the Indenture of Trust and to pay the Administrative Expenses associated with the Mandatory Prepayment of Special Tax.

The Mandatory Prepayment of Special Tax shall be due prior to the recordation, conveyance, or other action that results in a change to any Parcel resulting in a Mandatory Prepayment of Special Tax. In the event the Mandatory Prepayment of Special Tax is not paid prior to the change in any Parcel, the total Mandatory Prepayment of Special Tax may be collected from any and all of the resulting Parcels. The Mandatory Prepayment of Special Tax shall have the same sale and lien priorities as provided for by law for Special Taxes.

The Mandatory Prepayment of Special Tax shall not exceed the amount required to provide for the payment or redemption of the principal amount of the outstanding Bonds plus the other amounts set forth in Section J.

M. AMENDMENTS

This Rate and Method of Apportionment of Special Taxes may be amended by the County and, to the maximum extent permitted by the Act, such amendments may be made without further notice under the Act and without notice to owners of Taxable Property within the District in order to (i) clarify or correct minor inconsistencies in the matters set forth herein, (ii) provide for lawful procedures for the collection and enforcement of the Special Tax so as to assure the efficient collection of the Special Tax for the benefit of the owners of the Bonds, and (iii) otherwise improve the ability of the County to fulfill its obligations to levy and collect the Special Tax to make it available for the payment of the Bonds and Administrative Expenses. Any such amendment may not increase the Maximum Special Tax.

N. INTERPRETATION OF PROVISIONS

The Director of Finance shall make all interpretations and determinations related to the application of this Rate and Method of Apportionment of Special Taxes, unless stated otherwise herein or in the Indenture of Trust, and as long as there is a rational basis for the determination made by the County, such determination shall be conclusive. All terms and provisions herein shall be liberally construed to effectuate the purposes set forth herein.

O. SEVERABILITY

If any section or part of a section of this Rate and Method of Apportionment of Special Taxes is declared invalid or unenforceable, the validity, force, and effect of any other section or part of a section herein shall not thereby be affected or impaired unless such other section or part of a section herein is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unenforceable.