REPORT TO COUNCIL
City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
June 9, 2009

Honorable Mayor and
Members of the City Council

Title: Panhandle (M05-031 / P05-077) Tax-Exchange Agreement

Location/Council District: South of Elkhorn Boulevard, north of Del Paso Road, west of Sorento Road / Adjacent to Council District 1 ("the Panhandle area").

Recommendation: Adopt a **Resolution** approving a tax-exchange agreement between the City and the County of Sacramento relating to a proposed annexation of land in the Panhandle area to the City of Sacramento.

Contact: Scot Mende, New Growth Manager, 808-4756; Leyne Milstein, Finance Director, 808-8491

Presenters: Not Applicable

Department: Community Development and Finance

Division: New Growth

Organization No: 21001221 and 06001411

Description/Analysis

Summary: The Panhandle proposal is a request to allow the annexation of 653 acres and the future development of a 595± acre master planned community. The project site consists of 595 acres of farmland within unincorporated Sacramento County, located north of Del Paso Road and west of Sorento Road, and 58 acres of developed industrial properties immediately north and south of Del Paso Road. On September 18, 2007, the City Council approved an intent motion for the full slate of entitlements – not including a tax-exchange agreement. The tax-exchange agreement is now ready for Council and Board of Supervisors approval. Subsequent to the approval of the tax-exchange agreement, staff will bring forward the entitlements for final Council action and forward the proposed annexation to the Local Agency Formation Commission (LAFCo) for annexation hearings.

The City will be responsible for the provision of municipal services after the annexation is approved and effective. An operating budgetary analysis of the costs of services and the area's generation of City revenue indicated that the projected costs of services and revenue are approximately equal assuming the property tax distribution contained within this tax-exchange agreement.

Policy Considerations: The Mayor and City Council's sustainable budget policies would argue against taking on a fiscal liability in an annexation. The proposed tax-exchange agreement results in a fiscally neutral outcome for the City.

Committee/Commission Action: None

Environmental Considerations: Approval of the subject tax-exchange agreement itself will not cause either a direct change in the environment or a reasonably foreseeable indirect physical change in the environment and does not constitute a "project" for purposes of the California Environmental Quality Act under Public Resources Code section 21065 and CEQA Guidelines section 15378. The tax-exchange agreement is a component within the annexation process for the Panhandle area. Approval of the tax-exchange agreement does not constitute approval of such annexation; the annexation will be considered by the City Council at a later date and as informed by full environmental review under the California Environmental Quality Act (CEQA).

Sustainability Considerations: The tax exchange agreement fosters sustainability by encouraging economic development in the City. The urban development enabled by the annexation will follow the City's sustainability criteria.

Rationale for Recommendation: Overall, the proposal is consistent with General Plan policies on annexation, development, and land use and the SACOG Blueprint. The tax agreement should provide sufficient revenue to support municipal services when, in the future, the area may be developed.

Financial Considerations: Under Revenue & Taxation Code Section 99(b)(1)(B)(6), the City and County must adopt a property-tax-exchange agreement at least 21 days prior to LAFCo public hearings on the annexation proposal. The proposed tax-exchange agreement calls for an equal sharing by the City and County of the municipal-property-tax revenue generated within Panhandle area. The tax-exchange agreement is consistent with the assumptions in the fiscal analysis prepared for the Panhandle project.

Emerging Small Business Development (ESBD): No goods or services are being purchased under this report.

Respectfully Submitted by: _____
David Kwong
Planning Director

Approved by: _____
William Thomas
Director of Community Development

Approved by: _____
Leyne Milstein
Director of Finance

Recommendation Approved:

_____
for Ray Kerridge
City Manager

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ATTACHMENT 1

BACKGROUND

Property-Tax-Exchange Agreements

Property-tax-exchange agreements between an annexing city and the county are a required part of the annexation approval process. A tax-exchange agreement between the City and County must be in place before LAFCo will consider the annexation proposal. The agreements may take the form of project-specific tax-exchange agreement (applying to a single annexation) or master tax-exchange agreement (applying to all annexations). A master tax-exchange agreement between the City and County of Sacramento was terminated by the County several years ago. This tax-exchange-agreement requirement essentially gives counties *de facto* veto power over city annexations. Should the county in question choose not to enter into a tax exchange agreement, then the annexation will not be considered by LAFCo.

A tax-exchange agreement specifies the redistribution of property taxes among the city, the county, and other agencies such as special districts. Typically, tax revenues accruing to the county, some special county funds, and special districts are redistributed to the annexing city and the county. The county is responsible for representing the interests of special districts, and there is a meet-and-confer requirement if the tax exchange will impact a special district.

Property Tax Sharing

Equal sharing of the property tax available for local government is consistent with the revenue sharing agreement for Greenbriar approved by both the Sacramento City Council and the Sacramento County Board of Supervisors in March 2008.

Approval of the tax sharing agreement and the annexation would result in the City receiving approximately 17 percent (17%) of the property taxes generated within Panhandle. This is less than the citywide average of 24 percent (24%) outside of redevelopment areas. The reason for this lower share is that a lower proportion of property taxes is available from unincorporated Natomas than in other portions of the County. The shares of property tax revenue accruing to the County and the contributing special districts and county funds are based on tax rates imposed in the area at the time of Proposition 13. At that time, the Natomas Fire Protection District was primarily volunteer-based and had a low tax rate. Only thirty-four percent (34%) of property taxes are currently allocated to local government in Panhandle, and the rest is allocated to schools districts and agencies. In other portions of the County, including within the City, the overall share of property taxes to local government, as opposed to schools, is higher. For example, within the City the current average combined City and County share of property taxes is approximately 42 percent (42%). In portions of Arden-Arcade or the Fruitridge pocket of the Unincorporated Area, the combined shares of the County and various special districts is close to fifty percent (50%).

The proposed tax exchange agreement provides that within the Panhandle Annexation area, the following will be pooled and shared equally between the City and the County:

- County Library,
- County Roads,
- Sacramento County Water
- County General Fund
- Natomas Fire Protection District, and
- Rio Linda Elverta Recreation &. Park (4.0628% of 1% tax levy)

The weighted average post-ERAF base tax factor for these pooled funds is 34.8990% to be split equally between City & County.

The Rio Linda Elverta Recreation & Park District (RLERPD) currently derives 30-40% of its current revenues from the Panhandle – most of which is from the "Pan" (i.e., the developed industrial property south of Del Paso Road) and approximately $18,000 per year from the undeveloped "Handle". Because RLERPD derives substantial revenues from the "Pan", without providing any park service to this property, the loss of service territory would result in a loss of revenues with no loss of service responsibility. Accordingly, the proposed tax exchange agreement deals only with the "Handle" and assumes that the "Pan" will remain unincorporated and within the Park District's boundaries.

Additionally, the proposed tax exchange agreement would provide that RLERPD shall receive $18,000 per year (approximately equivalent to the 4.0628% share of existing base tax revenue from the annexation area) for a period of 5 years. No revenue from the annexation area will be distributed to the Park District after the five year period. After the 5 year period the Park District's former share shall be included in the pooled funds for the equal County/City split.

ATTACHMENT 2

INSTRUCTIONS ON LOCATING THE PREVIOUS REPORTS

To review the **City Council report** presented on **September 18, 2007**, Item 22 on the City Council agenda, please go to:

www.cityofsacramento.org

Click on View City Council Meetings, Agendas, etc.

Click on Future & Archived Meetings

Under Archives, Go to 09/18/07 City Council Meetings, Click on View Agenda

Go to Item 22 [Northgate 880/ Panhandle (M05-031 / P05-077) – Hearing]

[instructions on reviewing previous reports are included as an attachment to the September 18th report]

ATTACHMENT 3

RESOLUTION NO.

Adopted by the Sacramento City Council

ADOPTING THE PROPERTY-TAX-EXCHANGE AGREEMENT FOR THE PANHANDLE ANNEXATION (M05-031 / P05-077)

BACKGROUND

A. Before the Local Agency Formation Commission may act upon a proposed annexation to the City of Sacramento, the City and County must adopt a tax-exchange agreement.

B. Landowners and the City have proposed that the so-called Panhandle area be annexed to the City.

C. The County and City have negotiated a property-tax-exchange agreement specifying how property tax revenues will be allocated if the annexation is approved.

D. This tax exchange agreement was negotiated with respect only to the subject territory, and any future tax exchange agreement for additional properties south of Del Paso Road would need to be separately negotiated to acknowledge the tax revenues currently accruing to the Rio Linda Elverta Recreation and Park District and the County General Fund.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Manager is hereby authorized to execute the Property-Tax-Exchange Agreement between the City of Sacramento and the County of Sacramento, attached to this Resolution as Exhibit A, and to do and perform everything necessary to carry out the purpose of the Agreement.

Section 2. Exhibit A is part of this Resolution.

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Exhibit A –Property Tax Exchange Agreement
Exhibit A.1 – Map of Panhandle Annexation Area
Exhibit A.2 – Prezone Map of Panhandle Annexation Area
Exhibit A.3 – Map of Area to Remain Unincorporated
Exhibit A.4 – North Area Corporation Yard site to be Annexed

RESOLUTION EXHIBIT A

TAX EXCHANGE AGREEMENT BETWEEN THE COUNTY OF SACRAMENTO AND THE CITY OF SACRAMENTO, RELATING TO THE PANHANDLE ANNEXATION

This TAX EXCHANGE AGREEMENT (hereinafter "Agreement") is made and executed in duplicate this 24th day of March 2009 by and between the COUNTY OF SACRAMENTO, a political subdivision of the State of California (hereinafter referred to as "COUNTY"), and the CITY OF SACRAMENTO, a charter city (hereinafter referred to as "CITY").

RECITALS

A. On June 6, 1978, the voters of the State of California amended the California Constitution by adding Article XIIIA thereto which limited the total amount of property taxes which could be levied on property by local taxing agencies having such property within their territorial jurisdiction to one percent (1%) of full cash value; and

B. Following such constitutional amendment, the California Legislature added Section 99 to the California Revenue and Taxation Code which requires a city seeking to annex property to its incorporated territory and a county affected by such annexation to agree upon an exchange of property taxes which are derived from such property and available to the county and city following annexation of the property to the incorporated territory of the city; and

C. CITY has filed an application with the Sacramento Local Agency Formation Commission requesting its approval of the annexation of approximately 653 acres of real property to CITY ("the Panhandle Annexation"); and

D. COUNTY and CITY wish to work together to develop a fair and equitable approach to the sharing of real property ad valorem taxes imposed and collected as authorized by the Revenue and Taxation Code in order to encourage sound urban development and economic growth; and

E. Close cooperation between COUNTY and CITY is necessary to maintain and improve the quality of life throughout Sacramento County, including CITY, and deliver needed or desirable services in the most timely and cost-efficient manner to all CITY and COUNTY residents; and

F. COUNTY recognizes the need for orderly growth within and adjacent to the CITY, and for supporting appropriate annexations by CITY; and

G. The provisions of Section 99 of the California Revenue and Taxation Code authorize a city and county to execute a property tax transfer agreement for the exchange of property tax revenues between the county and the city in connection with the annexations of property located in the unincorporated territory of the county to the incorporated territory of the city; and

H. COUNTY and CITY after negotiations have reached an understanding as to a rate of exchange of property tax revenues to be made pursuant to Section 99 of the California Revenue and Taxation Code in connection with the annexation of the Panhandle Annexation Area to the CITY; and

I. It is a further purpose of this Agreement to serve as a Property Tax Transfer Agreement pursuant to Section 99 of the California Revenue and Taxation Code.

J. In consideration of the exchange of property tax revenue provided for in this Agreement, COUNTY agrees not to oppose the Panhandle Annexation before the Sacramento Local Agency Formation Commission.

COUNTY and CITY hereby agree as follows:

Section 1. Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below:

(a) "Annexation Area" shall mean that portion of the unincorporated area of COUNTY known as the Panhandle Annexation, more generally depicted on Exhibit "A.1" to this Agreement.

(b) "Annexation Date" shall mean the date specified by the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (California Government Code § 56000 et seq.) as the effective date of the Panhandle Annexation.

(c) "Panhandle Annexation" shall mean the annexation to the CITY as delineated in Sacramento Local Agency Formation Commission Application Control Number "10-00", the annexation of which to CITY is subsequently approved and completed by the Sacramento Local Agency Formation Commission as provided in the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (California Government Code § 56000 et seq.).

(d) "Property Tax Revenue" shall mean revenue from "ad valorem real property taxes on real property", as said term is used in Section 1 of Article XIIIA of the California Constitution and more particularly defined in subsection (c) of Section 95 of the California Revenue and Taxation Code, that is collected from within the Annexation Area, is available for allocation to the City and the County, and is currently allocated to the County Library Fund, Natomas Fire Protection District, and County Road Fund.

(e) "Sales Tax Revenue" shall mean the revenue from the sales, transaction, and use taxes levied and received by the CITY pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law", or any successor statutory provision, that is collected within the Annexation Area.

(f) "Big Box Retail Establishment" shall mean a store of greater than 75,000 square feet of buildable area that will generate sales, transaction or use tax revenue.

(g) The following land uses shall be conclusively presumed to be a Single-Purpose or Regional Tax-Generating Land Use: hotels, motels, auto

dealers, shopping malls, and Big Box Retail Establishments. The following land uses shall be conclusively presumed not to be a Single-Purpose or Regional Tax-Generating Land Use: gas stations, restaurants, grocery and department stores not meeting the definition of Big Box Retail Establishments, other community or local commercial establishments, and, with the exception of Big Box Retail Establishments, those commercial land uses authorized by and in substantial compliance with the Panhandle Prezone Map which is depicted on Exhibit A.2 attached hereto. Substantial compliance shall mean that the total retail and industrial in the Panhandle project may exceed by up to 5% of the 33.9 acres shown on Exhibit A.1; any retail and industrial in excess of 35.6 acres shall trigger the requirement to share sales tax generated by all retail and industrial within the Panhandle project. In addition, any reconfiguration of the commercially zoned properties to aggregate the sites to create a mall type retail setting shall trigger the requirement to share all sales tax generated from the annexed site.

(h) "Transient Occupancy Tax Revenue" shall mean the CITY general fund share of revenue from any transient occupancy tax levied and received by the CITY pursuant to Revenue and Taxation Code Section 7280, or any successor statutory provision, that is collected within the Annexation Area.

Section 2. General Purpose of Agreement. The general purpose of this Agreement is:

(a) to devise an equitable exchange of Property Tax Revenue between CITY and COUNTY as required by Section 99

(b) to fairly allocate Sales Tax Revenue and Transient Occupancy Tax Revenue collected within the Annexation Area

(c) to delineate service agreements for that territory depicted on Exhibit "B" which will remain in the unincorporated territory.

Section 3. Exchange of Property Tax Revenues. On and after the Annexation Date, the COUNTY and CITY shall exchange Property Tax Revenue as follows: Within the Panhandle Annexation area, the following will be pooled and shared equally between the City and the County: County Library, County Roads, County Water, County General Fund, Natomas Fire Protection District, and Rio Linda Elverta Recreation and Park District. The weighted average post-ERAF base tax factor for these pooled funds is 34.8990%, to be split equally unless otherwise directed in this section.

(a) CITY shall receive 17.4495% of the Property Tax Revenue to be allocated to its General Fund.

(b) COUNTY shall receive 17.4495% of the Property Tax Revenue to be allocated to its General Fund.

(c) In the event that the CITY zones in excess of the 35.6 acres of retail and industrial as described in Section 1(g) of this agreement, then the COUNTY and CITY shall share equally in all sales and transient-occupancy taxes generated in the Panhandle.

(d) If any property within the Annexation Area is rezoned by the CITY from a residential land use to a commercial or industrial land use, the CITY shall

provide written notice of such rezoning to the COUNTY within thirty (30) days of the effective date of any such rezoning.

Section 4. Adjustment of Property Tax Shares. In the event that the COUNTY is entitled to share in any Sales Tax Revenue, or Transient Occupancy Tax Revenue pursuant to Section 3 of this Agreement, the COUNTY's share of such revenue shall be allocated to the COUNTY by increasing the COUNTY's percentage share of Property Tax Revenue established pursuant to Section 3 of this Agreement in an amount equal to the COUNTY's share of Sales Tax Revenue, and Transient Occupancy Tax Revenue. If the COUNTY's share of Sales Tax Revenue, and Transient Occupancy Tax Revenue is greater than the amount of the CITY's share of Property Tax Revenue, the difference shall be paid by the CITY to the COUNTY within sixty (60) days after the end of the fiscal year in which the Sales Tax and Transient Occupancy Tax Revenue was collected.

Section 5. Exchange by County Auditor. COUNTY and CITY further agree that all of the exchanges of Property Tax Revenue required by this Agreement shall be made by the County Auditor.

Section 6. Park District. The Park District shall receive $18,000 per year from the share of existing base tax revenue from the annexation area for a period of 5 years. No revenue from the annexation area will be distributed to the Park District after the five year period. After the 5 year period the Park District's former share shall be included in the pooled funds for the equal County/City split.

Section 7. Services. Within that area generally depicted on Exhibit "A.3", the CITY agrees, subsequent to annexation, to provide, at the request of the Sacramento County Sheriff, law enforcement services as may be required at the level of mutual aid; any City police services in excess of mutual aid shall be the subject of a separate agreement.

Section 8. Transfer Station. CITY further agrees that it shall not, directly or indirectly, construct, cause construction or permit construction of a solid waste transfer or similar facility on that property generally depicted on Exhibit "A.4".

Section 9. Dispute Resolution.

(a) Inadmissability. Should any disputes arise as to the performance of this Agreement, COUNTY and CITY agree to the dispute resolution process as set forth below. All conduct, testimony, statements or other evidence made or presented during the meeting described in subsection (b) below shall be confidential and inadmissible in any subsequent arbitration proceedings brought to prove liability for any claimed breach or damages which are the subject of the dispute resolution process.

(b) Initiation of Process. COUNTY or CITY may initiate the dispute resolution process by submitting written notification to the other of a potential dispute concerning the performance of this Agreement. This written notification shall include all supporting documentation, shall state what is in dispute, and shall request a meeting between the County Executive and the City Manager or their respective designees. The purpose of this meeting shall be to ascertain whether a resolution of the disagreement is possible without third party intervention. This meeting shall be scheduled to take place within thirty (30)

working days of receipt of the written notification of the dispute. At the meeting, the respective representatives of the COUNTY and the CITY shall attempt to reach an equitable settlement of the disputed issue(s).

(c) Binding Arbitration. If the meeting provided for in subsection (b) of this Section fails to fully resolve the disagreement, the matter shall then be submitted by either party to the American Arbitration Association ("Arbitrator") to appoint a single, neutral arbitrator for a decision. The arbitration shall be conducted pursuant to the procedures set forth in Chapter 3 (commencing with Section 1282) of Title 9 of the California Code of Civil Procedure. The decision of the Arbitrator shall be controlling between the CITY and the COUNTY and shall be final. Except as provided in Code of Civil Procedure Sections 1286.2 and 1286.4, neither party shall be entitled to judicial review of the Arbitrator's decision. The party against whom the award is rendered shall pay any monetary award and/or comply with any other order of the Arbitrator within sixty (60) days of the entry of judgment on the award.

(d) Costs. The parties shall share equally in the costs and fees associated with the Arbitrator's fees and expenses. At the conclusion of the arbitration, the prevailing party, as determined by the Arbitrator, shall be entitled to reimbursement by the other party for the Arbitrator's fees and the Arbitrator's expenses incurred in connection with the arbitration. The awarded arbitrator's fees and expenses shall be remitted to the party whose position is upheld within thirty (30) days of the Arbitrator's decision. Each party shall bear its own costs, expenses and attorney's fees and no party shall be awarded its costs, expenses, or attorney's fees incurred in the dispute resolution process.

Section 10. Mutual Defense of Agreement. If the validity of this Agreement is challenged in any legal action by a party other than COUNTY or CITY, then COUNTY and CITY agree to defend jointly against the legal challenge and to share equally any award of costs, including attorneys fees, against COUNTY, CITY, or both.

Section 11. Waiver of Retroactive Recovery. If the validity of this Agreement is challenged in any legal action brought by either CITY or any third party, CITY hereby waives any right to the retroactive recovery of any City Property Tax Revenues exchanged pursuant to this Agreement prior to the date on which such legal action is filed in a court of competent jurisdiction. The remedy available in any such legal action shall be limited to a prospective invalidation of the Agreement.

Section 12. Modification. The provision of this Agreement and all of the covenants and conditions set forth herein may be modified or amended only by a writing duly authorized and executed by both the COUNTY and CITY.

Section 13. Reformation. COUNTY and CITY understand and agree that this Agreement is based upon existing law, and that such law may be substantially amended in the future. In the event of an amendment of state law which renders this Agreement invalid or inoperable or which denies any party thereto the full benefit of this Agreement as set forth herein, in whole or in part, then COUNTY and CITY agree to renegotiate the Agreement in good faith.

Section 14. Effect of Tax Exchange Agreement. This Agreement shall be applicable solely to the Panhandle Annexation and does not constitute either a master tax sharing agreement or an agreement on property tax exchanges which may be required for any other annexation to the CITY, nor does it alter or enlarge any revenue sharing obligations of the City by way of incorporation on July 1, 2000.

Section 15. Entire Agreement. With respect to the subject matter hereof only, this Agreement supersedes any and all previous negotiations, proposals, commitments, writings, and understandings of any nature whatsoever between COUNTY and CITY except as otherwise provided herein.

Section 16. Notices. All notices, requests, certifications or other correspondence required to be provided by the parties to this Agreement shall be in writing and shall be personally delivered or delivered by first class mail to the respective parties at the following addresses:

COUNTY	CITY
County Executive County of Sacramento 700 H Street, Room 7650 Sacramento, CA 95814	City Manager City of Sacramento 915 "I" Street, 5th Floor Sacramento, CA 95814

Notice by personal delivery shall be effective immediately upon delivery. Notice by mail shall be effective upon receipt or three days after mailing, whichever is earlier.

Section 17. Approval, Consent, and Agreement. Wherever this Agreement requires a party's approval, consent, or agreement, the party shall make its decision to give or withhold such approval, consent or agreement in good faith, and shall not withhold such approval, consent or agreement unreasonably or without good cause.

Section 18. Construction of Captions. Captions of the sections of this Agreement are for convenience and reference only. The words in the captions in no way explain, modify, amplify, or interpret this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in the county of Sacramento, State of California, on the dates set forth above.

COUNTY OF SACRAMENTO, a political subdivision of the State of California

By _____
Chairperson of the Board of Supervisors

(SEAL)

ATTEST: _____

Clerk of the Board of Supervisors

Approved as to Form:

_____
County Counsel

CITY OF SACRAMENTO, a charter city

By: _____
City Manager

(SEAL)

ATTEST: _____
City Clerk

Approved as to Form:

_____
City Attorney

Attachments:
Exhibit A.1 – Map of Panhandle Annexation Area
Exhibit A.2 – Prezone Map of Panhandle Annexation Area
Exhibit A.3 – Map of Area to Remain Unincorporated
Exhibit A.4 – North Area Corporation Yard site to be Annexed

Exhibit A.1 – Map of Panhandle Annexation Area

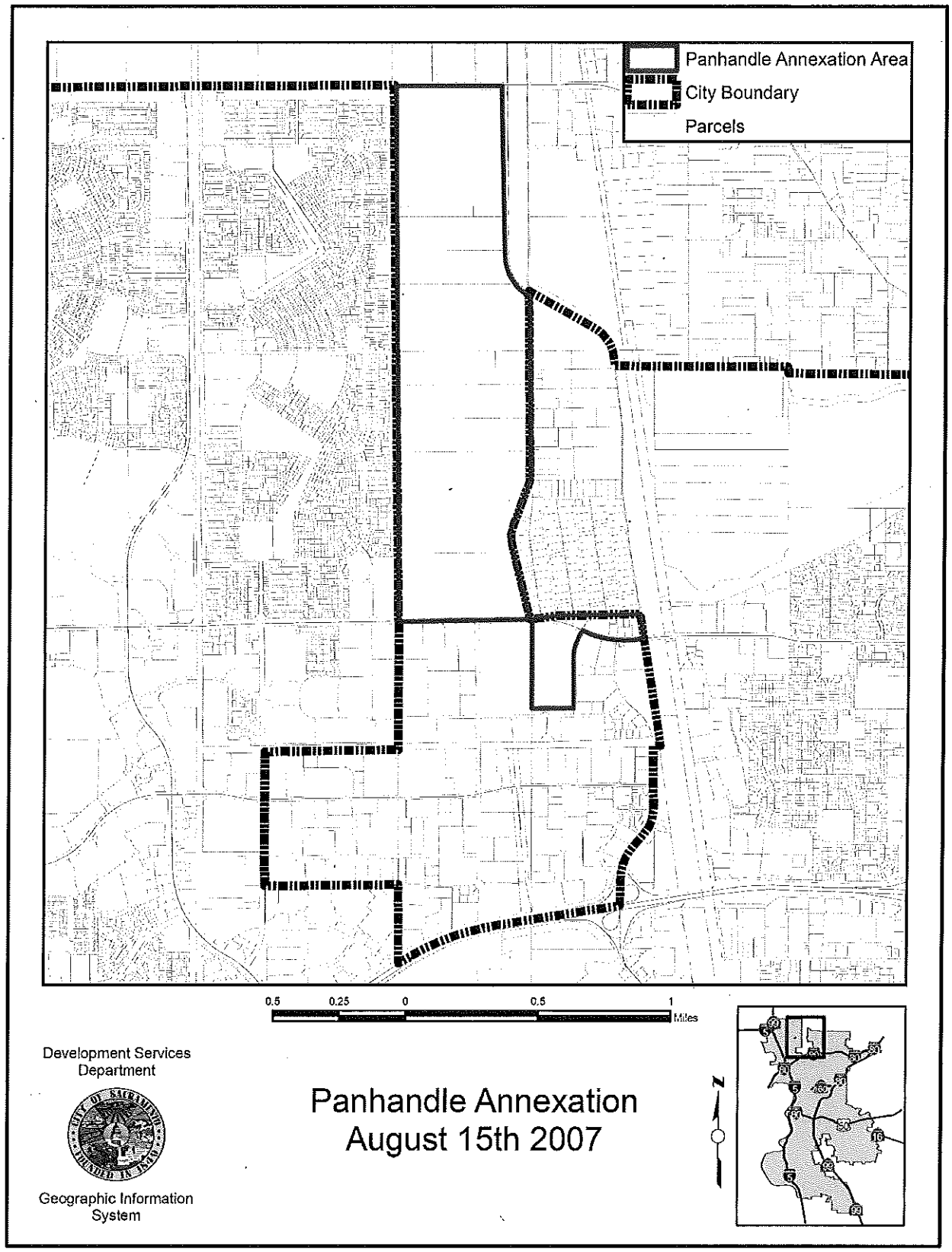
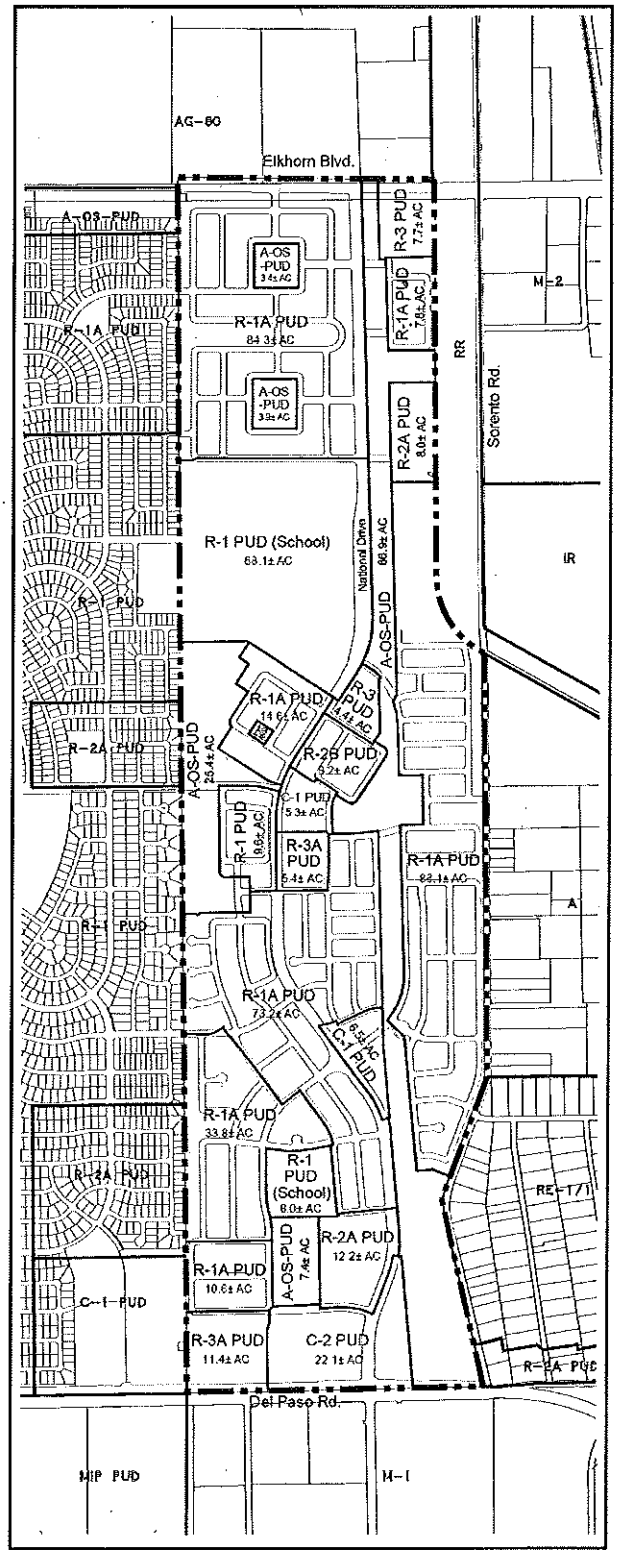


Exhibit A.2 – Prezone Map of Panhandle Annexation Area



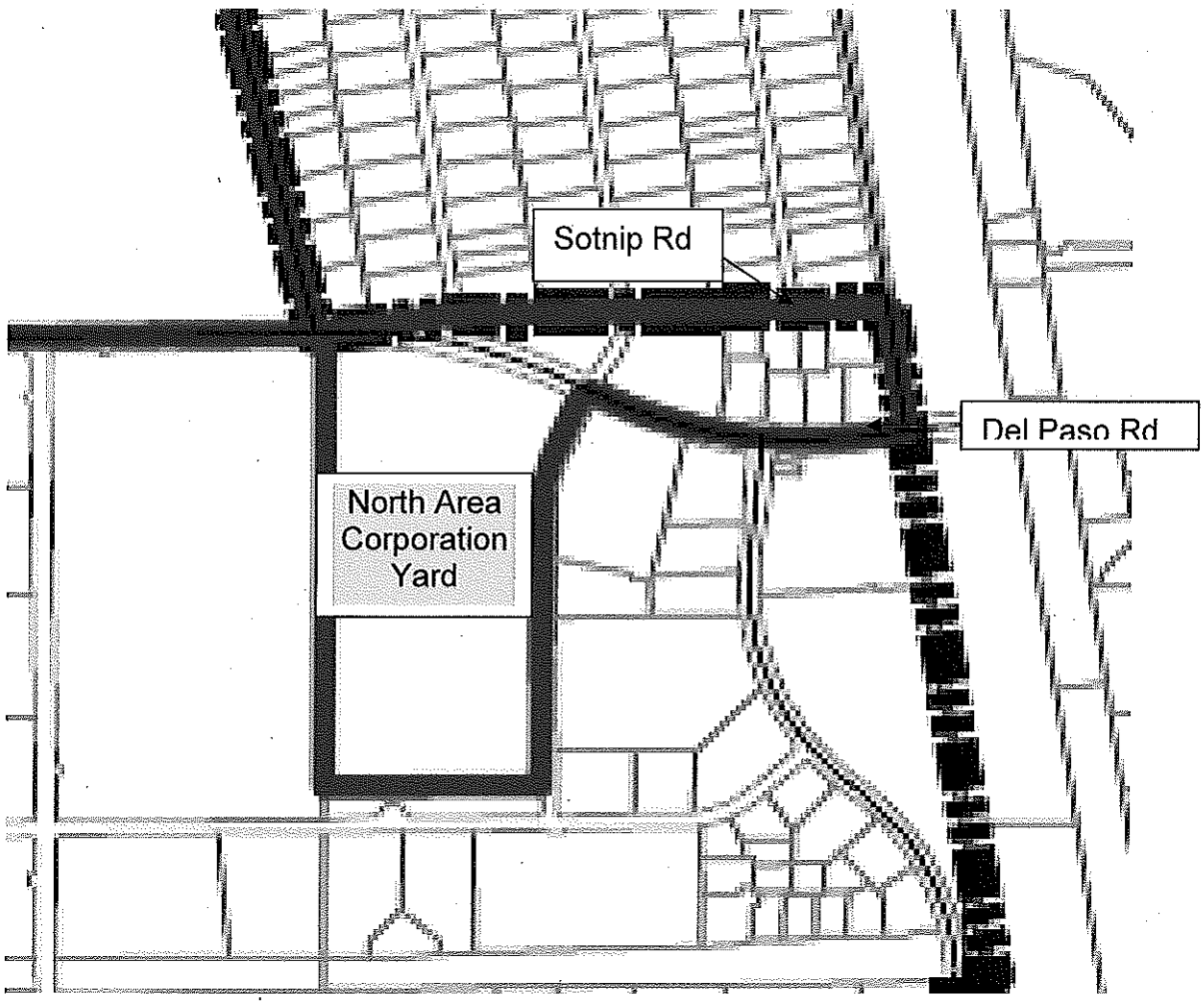
PREZONE DESIGNATION	ACREAGE
R-1-PUD	9.6
R-1-PUD (School)	76.1
R-1A-PUD	310.4
R-2A-PUD	20.2
R-2B-PUD	8.2
R-3-PUD	12.1
R-3A-PUD	16.8
A-OS-PUD (Open Space)	107.4
C-1-PUD (Limited Commercial)	11.8
C-2-PUD (General Commercial)	22.1
TOTAL	594.7

DEVELOPED INDUSTRIAL AREA	
PREZONE DESIGNATION	ACREAGE
M-1	58

Exhibit A.3 – Map of Area to Remain Unincorporated

The area depicted in pale green stipple – generally south of Del Paso Road – is proposed to remain in the unincorporated area of Sacramento County. The area depicted in solid lavender is proposed to be included in the Panhandle annexation.

Exhibit A.4 – North Area Corporation Yard Included within Panhandle Annexation Area



The boundaries of the Panhandle annexation include the area south of Sotnip Road and north of Del Paso Road, plus the City of Sacramento's corporation yard (approximately 33 acres), located at the southwest corner of Del Paso Road and Kenmar Road.