



# City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

**Meeting Date:** 7/24/2012

**Report Type:** Public Hearing

**Title:** Formation of Township 9 Community Facilities District No. 2012-06 (Noticed on 7-9-12)

**Report ID:** 2012-00532

**Location:** District 3

**Recommendation:** Conduct a public hearing and upon conclusion pass a Resolution establishing the Township 9 Community Facilities District, providing for the levy of a special tax and calling for a special election on August 2, 2012.

**Contact:** Sheri Smith, Program Specialist, (916) 808-7204; Mark Griffin, Program Manager, (916) 808-8788; Finance Department

**Presenter:** Sheri Smith, Program Specialist, (916) 808-7204, Finance Department

**Department:** Finance

**Division:** Public Improvement Finance

**Dept ID:** 06001321

## **Attachments:**

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- 1-Description/Analysis
- 2-Schedule of Proceedings
- 3-Resolution
- 4-Exhibit A to the Resolution-Hearing Report
- 5-Exhibit B to the Resolution - RMA
- 6-Exhibit C to the Resolution-List of Services
- 7-Exhibit D to the Resolution-Boundary Map.

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### **City Attorney Review**

Approved as to Form  
Joseph Cerullo  
7/18/2012 4:02:20 PM

### **City Treasurer Review**

Reviewed for Impact on Cash and Debt  
Janelle Gray  
7/2/2012 9:59:33 AM

### **Approvals/Acknowledgements**

Department Director or Designee: Leyne Milstein - 7/12/2012 10:04:54 AM



## Description/Analysis

**Issue:** Under the conditions of approval for the Township 9 Development Project (Project), the property owners are required, before recordation of the first final subdivision map, to initiate proceedings to create an assessment district or to establish a community facilities district that will fund the maintenance of public improvements. Establishing the Township 9 Community Facilities District No. 2012-06 (the District) will satisfy this requirement by authorizing the City to levy special taxes in an amount sufficient to provide funding for maintenance of roadway facilities, transit facilities, storm-water drainage vaults, parks, paseos, and landscaped areas above and beyond the standard City levels in and around the Project.

**Policy Considerations:** The recommended action will fund maintenance and repair of the amenities, facilities, and improvements within the Project that exceed standard City requirements.

**Economic Impacts:** None.

### Environmental Considerations:

**California Environmental Quality Act (CEQA):** Administration and formation of the District does not constitute a project and therefore is exempt from review. (Cal. Code Regs., Title 14, Section 15378(b)(4); *Kaufman & Broad-South Bay, Inc. v. Morgan Hill Unified School District* (1992) 9 Cal.App.4th 464.).

**Sustainability:** There are no sustainability considerations applicable to the formation process or administration of a special district.

**Committee/Commission Action:** None

**Rationale for Recommendation:** The property owners have unanimously petitioned for creation of the District. The actions in the recommended Resolution are required by the Mello-Roos Community Facilities Act of 1982 (Government Code sections 53311 through 53368.3) for formation of a new district.

**Financial Considerations:** The property owners will pay all costs associated with the District. The maximum special tax for each Assessor’s Parcel will be the amounts shown below for Fiscal Year (FY) 2012/13.

### Developed Property

Single- Family Residential	\$543 per dwelling unit
Multi-Family Residential	\$272 per dwelling unit
Non-Residential Property	\$0.27 per sq. ft. of building-floor area
CP Property Tax Zone	\$10,654 total
Initial Affordable Units	exempt

Final Mapped Property \$55,106 per acre

Large Lot Parcels \$55,106 per acre

The maximum special tax will increase on July 1 of each fiscal year by an amount equal to the percentage change in the Consumer Price Index for the prior calendar year over the preceding calendar year. The maximum increase in any fiscal year may not exceed 4%.

No tax will be levied in FY2012/13. The formation process sets the base tax by land use as shown above. The first levy is anticipated in FY2013/14.

**Emerging Small Business Development (ESBD):** None. No goods or services are being purchased.



## SCHEDULE OF PROCEEDINGS

### TOWNSHIP 9 COMMUNITY FACILITIES DISTRICT NO. 2012-06

June 19, 2012	City Council - Resolution of Intention
June 20, 2012	Mail Notice of Hearing
<b>July 24, 2012</b>	<b>City Council - Hearing, Call for Special Election</b>
July 25, 2012	Mail Ballots
August 2, 2012	Ballots Due by 4:30 pm to City Clerk
August 14, 2012	City Council - Election Results & Pass for Publication Ordinance to Levy Tax
August 15, 2012	Record Notice of Special Tax
August 21, 2012	City Council - Adopt Ordinance to Levy Tax



# RESOLUTION NO.

Adopted by the Sacramento City Council

## ESTABLISHING THE TOWNSHIP 9 COMMUNITY FACILITIES DISTRICT NO. 2012-06; PROVIDING FOR THE LEVY OF A SPECIAL TAX THEREIN TO FINANCE MAINTENANCE SERVICES; AND CALLING A SPECIAL ELECTION ON THE QUESTION OF LEVYING THE SPECIAL TAX AND ESTABLISHING AN APPROPRIATIONS LIMIT

### BACKGROUND

- A. The City Council has duly considered the advisability and necessity of establishing a community facilities district and levying a special tax therein to pay for maintenance and related services to be provided within the district, all under the Mello-Roos Community Facilities Act of 1982 (the “**Act**”) and chapter 3.124 of the Sacramento City Code (“**Chapter 3.124**”).
- B. On June 19, 2012, the City Council adopted Resolution No. 2012-189 (the “**Resolution of Intention**”) declaring its intention to establish the Township 9 Community Facilities District No. 2012-06 (the “**District**”) and describing the boundaries of the territory proposed for proposed for inclusion in the District.
- C. The Resolution of Intention fixed a time and place for a public hearing at which the City Council would consider (1) the establishment of the District; (2) the proposed rate, method of apportionment, and manner of collection of a special tax to finance providing the services for the District; and (3) all other matters set forth in the Resolution of Intention.
- D. A report on the proposal to establish the District was caused to be prepared by the City’s Public Improvement Finance Manager of the Department of Finance in accordance with the Resolution of Intention. The City Council has reviewed the report, which is incorporated into this resolution as Exhibit A and made a part of the record of the public hearing on the Resolution of Intention.
- E. In accordance with the Resolution of Intention, a public hearing was scheduled for 6:00 p.m. on Thursday, July 19, 2012, in the City Council’s regular meeting place: City Council Chambers, New City Hall, 915 I Street, first floor, Sacramento, California. The City Council subsequently continued the hearing to July 24, 2012, at the same time and place. At the continued hearing, the City Council considered the establishment of the District; the proposed rate, method of apportionment, and manner of collection of the special tax; and all other matters set forth in the Resolution of Intention. All persons interested in these matters, including all taxpayers, property owners, and registered voters within the District, were given an

opportunity to appear and be heard, and the City Council heard and considered the testimony of all such interested persons for or against the following: the establishment of the District; the levy of the special tax; the extent of the District's territory; the types of services proposed to be provided within the District, and any other matters set forth in the Resolution of Intention. The special tax was not precluded by a majority protest under Government Code section 53339.6, and at the conclusion of the hearing the City Council was fully advised in the premises and was authorized to proceed as provided in this resolution.

- F. All owners of property within the proposed boundaries of the District have agreed to waive the following time limits and other requirements, but only with regard to proceedings to establish the District and conduct the special election: (a) all time limits specified in section 53326, subdivision (a), of the Act (pertaining to the election on the proposed special tax); (b) preparation of an impartial analysis of the ballot measure that submits the special tax to the qualified electors of the District, as well as preparation of arguments for and against the measure; (c) the requirements in Elections Code section 4101 regarding the time to mail ballots to the qualified electors; (d) the requirements in section 53327.5 of the Act regarding "identification envelopes" for the return of mailed ballots; (e) any defects of notice or procedure in the conduct of the election, whether known or unknown, so long as the defects do not infringe the right to vote and have the ballots fairly counted.
- G. On the basis of all the foregoing, the City Council has determined to call an election within the District to authorize the following: (1) the levy of a special tax on real property within the District to pay for the services proposed to be provided for the District (the rate, method of apportionment, and manner of collection of the tax are more particularly described in Exhibit B to this resolution); and (2) the establishment of an appropriations limit for the District.

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

**Section 1.** The City Council finds and determines that the recitals set forth above are true.

**Section 2.** The City Council approves the Resolution of Intention and confirms all of its determinations and findings. The rate, method of apportionment, and manner of collection of the special tax for the District are set forth in Exhibit B to this resolution. Upon recordation of a notice of special-tax lien in accordance with Streets and Highways Code section 3114.5, a continuing lien to secure each levy of the special tax will attach to all nonexempt real property in the District. The lien will continue in effect until the special-tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the special tax ceases.

- Section 3.** The City Council determines and finds that written protests against the establishment of the District, the levy of the special tax, the extent of the District, and the types of services to be provided as set forth in Exhibit C do not constitute a majority protest under the Act. Accordingly, the City Council overrules all protests to the establishment of the District, to the levy of the special tax, the extent of the District, the types of services to be provided, or the establishment of an appropriations limit for the District.
- Section 4.** The City Council determines and finds that all of its prior proceedings with respect to the establishment of the District are valid and conform to the requirements of the Act. Accordingly, the City Council determines and orders, consistent with the Resolution of Intention and in accordance with the Act, that the boundaries of the District are as set forth in Exhibit D to this resolution and as recorded in the office of the Sacramento County Clerk/Recorder on June 22, 2012, in Book 113 of Maps of Assessments and Community Facilities Districts at Page 0031, Document BK 20120622PG373.
- Section 5.** Except when funds are otherwise available, a special tax will be levied annually on real property within the District in an amount sufficient to do the following, as appropriate: (a) pay for the services set forth in Exhibit C; (b) repay funds the City advances for for the District; and (c) repay advances of funds or reimburse the value or cost (whichever is less) of work provided in kind for the District under agreements between the City and the persons or entities advancing the funds or providing the work (these agreements will not constitute debts or liabilities of the City). The special tax will be secured by recordation of a continuing lien against all nonexempt property in the District. Exhibit B to this resolution sets forth the rate, method of apportionment, and manner of collection of the special tax in sufficient detail to allow each landowner or resident within the District to estimate the maximum amount that the landowner or resident will have to pay.
- Section 6.** In accordance with Government Code section 53317.3, if property that is not otherwise exempt from the special tax is acquired by a public entity through a negotiated transaction or by gift or devise, then the special tax shall continue to be levied on the property and shall be enforceable against the public entity that acquired the property.
- Section 7.** In accordance with Government Code section 53317.5, if property subject to the special tax is acquired by a public entity through eminent-domain proceedings, then the obligation to pay the special tax shall be treated as if it were a special annual assessment.

**Section 8.** In accordance with Government Code section 53340.1, the special tax shall be levied on leasehold or possessory interests in property owned by a public agency and otherwise exempt from the special tax.

**Section 9.** A special election is ordered to be held, in accordance with the Act, applicable law, and this resolution, on **Thursday, August 2, 2012**, in the territory comprised by the District. At the special election, the question of levying the special tax on real property within the District and establishing an appropriations limit (as defined by article XIII B, section 8, subdivision (h) of the California Constitution) for the District in the amount of **\$1.2 million** per fiscal year will be submitted to the landowners within the District (who are the electors and persons qualified to vote at the special election).

**Section 10.** The City Clerk is designated as the official to conduct the special election in accordance with the Act, applicable law, and the following provisions:

- (a) The special election shall be held and conducted, the votes canvassed and the returns made, and the results ascertained and determined, all as provided in this section 10. In all particulars not prescribed by this resolution, the special election shall be held and conducted and the votes received and canvassed in the manner provided by law for holding of general elections in the City and consistent with the Act.
- (b) All landowners within the District on the date of the special election will be qualified to vote on the proposition submitted at the special election.
- (c) The special election shall be conducted as a mailed-ballot election in accordance with Elections Code sections 4000, 4002, 4003, 4004, and 4108 and the City's prior proceedings under those sections, and there will be no polling places for the special election. The City Clerk shall deliver all ballots to the qualified electors, and all voted ballots must be received at the City Clerk's office **by 4:30 p.m. on the election day** to be counted. If, however, all qualified electors have voted before that date and time, then the election will be closed.
- (d) To vote for levying the special tax and establishing the appropriations limit, a voter must mark a cross (X) in the blank space opposite the word "YES" on the ballot to the right of the proposition. To vote against levying the special tax and establishing the appropriations limit, a voter must mark a cross (X) in the blank space opposite the word "NO" on the ballot to the right of the proposition. The cross (X) or similar mark may be marked with either pen or pencil.

- (e) The City Clerk shall commence the canvass of the returns of the special election at **4:30 p.m. on Thursday, August 2, 2012**, at the City Clerk's office, Historic City Hall, 915 I Street, first floor, Sacramento, California, and at the conclusion of the canvass shall determine the results of the special election. If all the qualified voters have voted before that date and time, then the City Clerk shall close the special election and proceed to canvass the returns and determine the results.
- (f) The City Council shall meet at its regular meeting on **Tuesday, August 14, 2012, at 6:00 p.m.** at its usual meeting place and declare the results of the special election and shall cause to be spread upon its minutes a statement of the results of the special election as ascertained by the canvass.

**Section 11.** If two-thirds of the votes cast upon the question of levying the special tax and establishing the appropriations limit are cast in favor of levying the special tax and establishing the appropriations limit, as determined by the City Council after reviewing the canvass of the returns of the election, then the City Council may levy the special tax within the territory of the District in accordance with the Act, in the amount and for the purposes specified in this resolution, and the appropriations limit, as defined by article XIII B, section 8, subdivision (h) of the California Constitution, will be established for the District. The special tax may be levied only at the rate and may be apportioned only in the manner specified in this resolution, subject to the Act, except that the special tax may be levied at a rate lower than the rate specified in Exhibit B. The special tax may be levied only so long as it is needed to pay for the services identified in Exhibit C (including the repayment of funds advanced for the District).

**Section 12.** The City's Manager of the Public Improvement Financing Division, Department of Finance, 915 I Street, 3<sup>rd</sup> Floor, Sacramento, California 95814 (telephone 916-808-8788) shall annually prepare a current roll of special-tax levy obligations by the Sacramento County Assessor's parcel numbers and shall estimate future special-tax levies in accordance with Government Code section 53340.2.

**Section 13.** Exhibits A, B, C, and D are part of this resolution.

**Table of Contents:**

Exhibit A: Hearing Report

Exhibit B: Rate and Method of Apportionment of Special Tax

Exhibit C: List of Authorized Services

Exhibit D: Area Map of Proposed Boundary

[Back to Table  
of Contents](#)

## EXHIBIT A



# HEARING REPORT

City of Sacramento  
Township 9 Community Facilities District No. 2012-06

**TABLE OF CONTENTS**

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	<u>Page</u>
<i>I. Introduction.....</i>	<i>1</i>
Background .....	1
Purpose of the Analysis .....	2
Organization of the Report.....	2
<i>II. Annual Maintenance Costs and Maximum Annual Special Tax.....</i>	<i>3</i>
Maintenance Costs and Cost Allocation .....	3
Maximum Annual Special Tax .....	4
<i>III. Structure of the Proposed CFD .....</i>	<i>4</i>
Description of the Community Facilities District.....	4
CFD Boundaries .....	4
Annual Costs to be Funded by the CFD .....	4
Determination of Parcels Subject to Special Tax.....	4
Termination of the Special Tax .....	5
Setting the Annual Special Tax Rate .....	5
Prepayment of Special Tax Obligation.....	5
Manner of Collection.....	5

Exhibits

- Exhibit A: Rate and Method of Apportionment of Special Tax
- Exhibit B: List of Authorized Services
- Exhibit C: Proposed Boundary Map

## **LIST OF FIGURES**

---

	<u>Page</u>
Figure 1      Proposed Boundaries .....	2
Table 1      Township 9 Maximum Special Tax for Developed Property.....	3

## I. INTRODUCTION

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### **Background**

The owners of the Township 9 property (the “Project”) have requested the establishment of a community facilities district to fund the maintenance of roadway facilities, transit facilities, storm water drainage vaults, parks, paseos, and/or landscape areas within public rights-of-way in excess of the City’s basic maintenance. Funds may be used within the territory of CFD No. 2012-06 and in an adjoining park of approximately 1.3 acres at the north end of 5th Street, should the City acquire this area (currently owned by the County and not currently a parcel).

The Developer (Capitol Station 65, LLC, and their successor or assigns, which may include a Property Owners Association) has proposed elements of the project that contain facilities and/or improvements that exceed the standard City requirements and therefore would require additional maintenance services than is typical for development projects within the City. In order to offset these additional costs, the City and Developer have agreed to the formation of the CFD to fund, on an on-going annual basis, the maintenance of these extra-ordinary facilities/improvements.

The boundaries of the properties and the extent of the improvements are as follows:

Figure 1



## **PURPOSE OF THE ANALYSIS**

The purpose of this report is to present a discussion of City of Sacramento CFD No. 2012-06 (CFD) that will be used to fund the maintenance of roadway facilities, transit facilities, storm water drainage vaults, parks, paseos, and/or landscape areas within public rights-of-way within the Project. Funds may be used within the territory of CFD No. 2012-06 and in an adjoining park of approximately 1.3 acres at the north end of 5th Street, should the City acquire this area (currently owned by the County and not currently a parcel).

This report serves as the Hearing Report required by the Mello-Roos Act. It discusses the public services and facilities to be funded, the structure of the CFD, and the Maximum Annual Special Taxes.

## **ORGANIZATION OF THE REPORT**

**Chapter II** describes the annual maintenance costs and determination of the maximum annual special tax. **Chapter III** describes the structure of the proposed CFD and the Rate and Method of Apportionment of Special Tax (“Special Tax Formula”).

Four exhibits are attached to this report. **Exhibit A** is the Rate and Method of Apportionment (the “Tax Formula”). **Exhibit B** is the list of authorized services to be funded by the CFD. **Exhibit C** provides the boundary map for the proposed CFD.

## II. ANNUAL MAINTENANCE COSTS AND MAXIMUM SPECIAL TAX

The CFD is being formed to fund the maintenance of roadway facilities, transit facilities, storm water drainage vaults, parks, paseos, and/or landscape areas within public rights-of-way within the Project. Funds may be used within the territory of CFD No. 2012-06 and in an adjoining park of approximately 1.3 acres at the north end of 5th Street, should the City acquire this area (currently owned by the County and not currently a parcel). The Special Tax will be levied on all Assessor’s Parcels within the Project, as well as on adjacent property (“CP Property Tax Zone”) that shares responsibility to fund a pro-rated share of maintenance expenses for the median landscaping within North 7<sup>th</sup> Street. The Developer and CP Property have previously agreed to share in the maintenance of this portion of landscaping.

### MAINTENANCE COSTS AND COST ALLOCATION

The total cost of authorized services is fixed at \$600,000 plus the use of required reserves as needed at build-out of the Project (subject to annual CPI adjustments).

### MAXIMUM ANNUAL SPECIAL TAX

The CFD’s annual maintenance and services costs will be funded through the collection of special taxes levied against the property within the CFD. The Maximum Special Tax for all parcels within the District is shown below on Table 1.

<b>Land Use Class</b>	<b>Description</b>	<b>FY 2013-2014 Maximum Special Tax</b>
1	Single-Family Residential Property	\$ 543 per dwelling unit
2	Multi-Family Residential Property	\$ 272 per dwelling unit
3	Non-Residential Property	\$ 0.27 per square foot of building floor area
4	CP Property Tax Zone parcels or successors	\$10,654 in total, calculated on a square foot basis.
5	Initial Affordable Units	Exempt
* Subsequent years beyond the base year are limited by the San Francisco Consumer Price Index All Urban, April to April, not to exceed 4%.		

On each July, beginning July 1, 2013, the Maximum Special Tax will be increased by an amount equal to the percentage change in the Consumer Price Index for the prior calendar year over the preceding calendar year. The maximum increase in any Fiscal Year may not exceed 4%.



### **III. STRUCTURE OF THE PROPOSED CFD**

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#### **DESCRIPTION OF THE COMMUNITY FACILITIES DISTRICT**

Special taxes within the CFD will be levied according to the Rate and Method of Apportionment of Special Tax (the “Tax Formula”). The attached exhibits contain the formation documents for the CFD. **Exhibit A** contains the Tax Formula and **Exhibit B** is the list of authorized services to be funded by the CFD. The purpose of the CFD is to provide funding for the annual maintenance of roadway facilities, transit facilities, parks, paseos, and/or landscape areas within public rights-of-way within the Project, as authorized by the CFD. Funds may be used within the territory of CFD No. 2012-06 and in an adjoining park of approximately 1.3 acres at the north end of 5th Street, should the City acquire this area (currently owned by the County and not currently a parcel).

#### **CFD BOUNDARIES**

**Exhibit C** shows the proposed boundary maps for the CFD.

#### **ANNUAL COSTS TO BE FUNDED BY THE CFD**

Annual maintenance costs are estimated to be no more than \$600,000 at build-out of the Project. The maximum annual special tax will be adjusted annually by CPI (not to exceed 4 percent in any given year) to account for increases in costs.

#### **DETERMINATION OF PARCELS SUBJECT TO SPECIAL TAX**

The City shall prepare a list of parcels subject to the Special Tax using the records of the City of Sacramento and the County Assessor. The City will tax all Assessor’s Parcels within the CFD except those that are declared tax-exempt, which includes those properties identified in Section E of the Rate & Method of Apportionment. Taxable parcels that are acquired by a public agency or property owners association after the CFD is formed will be re-classified as tax-exempt provided it is determined by the City, in the exercise of its sole discretion, that it is no longer used for private purposes.

## **TERMINATION OF THE SPECIAL TAX**

The special tax will be levied and collected in perpetuity.

## **THE SPECIAL TAX RATE**

The City shall assign the maximum special tax per taxable parcel based on Section C of **Attachment 1**, as adjusted annually, and then apportion the special tax based on Section D of **Attachment 1**. The City shall annually determine the Special Tax requirement as defined in Section A of Attachment 1 by taking into account historical expenditure requirements, all reasonable and allowable costs, any carryover reserves from prior years, and any ending balance that is considered to be necessary for prudent financial management. New funding required will be the tax requirement and may never exceed the maximum annual special tax.

Once completed, the City will prepare the Tax Collection Schedule for each Parcel and send it to the County Auditor requesting that it be placed on the general, secured property tax roll for the following Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor for such inclusion.

## **PREPAYMENT OF SPECIAL TAX OBLIGATION**

Prepayment of special taxes is not permitted.

## **MANNER OF COLLECTION**

The special tax will be collected in the same manner and at the same time as *ad valorem* property taxes.

**Exhibits:**

**Exhibit A: Rate and Method of Apportionment of Special Tax**

**Exhibit B: List of Authorized Services**

**Exhibit C: Proposed Boundary Map**

## Exhibit A

### RATE AND METHOD OF APPORTIONMENT FOR CITY OF SACRAMENTO TOWNSHIP 9 COMMUNITY FACILITIES DISTRICT NO. 2012-06

A Special Tax as hereinafter defined will be levied on all Assessor's Parcels in the City of Sacramento Township 9 Community Facilities District No. 2012-06 and collected each Fiscal Year commencing in Fiscal Year 2013-2014, in an amount determined by the Council, according to the method of apportionment set forth herein. All of the real property in CFD No. 2012-06, unless exempted by law or by the provisions hereof, will be taxed for the purposes, to the extent and in the manner herein provided.

#### A. **DEFINITIONS**

The 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, parcel map, condominium plan, or other recorded County parcel map.

**“Act”** means the Mello-Roos Community Facilities Act of 1982, as amended, set forth in Chapter 2.5 of Division 2 in Title 5 of the California Government Code.

**“Administrative Expenses”** means the actual or reasonably estimated costs directly related to the formation and administration of CFD No. 2012-06 including but not limited to the costs of computing the Special Tax and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Tax (whether by the County or otherwise); the costs to the City, CFD No. 2012-06, or any designee thereof of complying with City or CFD No. 2012-06 disclosure requirements; the costs associated with responding to public inquiries regarding the Special Tax; the costs of the City, CFD No. 2012-06, or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third-party expenses.

**“Assessor”** means the Sacramento County Assessor.

**“Assessor's Parcel”** means any real property to which an Assessor's parcel number is assigned as shown on an Assessor's Parcel Map.

**“Assessor's Parcel Map”** means an official map of the Assessor that designates parcels by Assessor's parcel number.

**“CFD Administrator”** means the official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Tax.

“**CFD No. 2012-06**” means the City of Sacramento Township 9 Community Facilities District No. 2012-06.

“**City**” means the City of Sacramento.

“**Consumer Price Index**” means the Consumer Price Index published by the U.S. Bureau of Labor Statistics for “All Items” in the San Francisco / Oakland / San Jose Area Urban Wage Earners and Clerical Workers, measured each calendar year. If this index ceases to be published, the Consumer Price Index will be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index for the San Francisco Bay Area.

“**CP Property Tax Zone**” means that real property generally bounded by North 7<sup>th</sup> Street to the west, Richards Boulevard to the south, the future extension of Vine Street to the north, and identified on the Boundary Map for CFD No. 2012-06 as Assessor’s parcel numbers 001-0020-018, 001-0020-054, and 001-0020-053. The territory identified by these Assessor’s parcel numbers is subject to the annual Special Tax rate identified in Table 1 for “**CP Property**”.

“**Council**” means the City Council of the City, acting as the governing board of CFD No. 2012-06.

“**County**” means the County of Sacramento.

“**Developed Property**” means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued as of June 30 of the previous Fiscal Year, other than the construction of a parking lot or parking structure.

“**Eligible Facilities and Services**” means facilities to be maintained and services to be financed and their territorial location, described in Exhibit A.

“**Exempt Property**” means any Assessor’s Parcel that is exempt from the Special Tax under Section E.

“**Final Mapped Property**” means, for each Fiscal Year, all Taxable Property with an approved Final Subdivision map.

“**Final Subdivision**” means a subdivision of property by recordation of a final map, parcel map, or lot-line adjustment in accordance with the Subdivision Map Act (beginning with California Government Code Section 66410) or recordation of a condominium plan in accordance with California Civil Code Section 1352 that creates individual lots for which building permits may be issued without further subdivision.

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

“**Initial Affordable Units**” means all residential dwelling units located on Assessor’s Parcels of Residential Property, on Lot 11A, Lot 11B, and Lot 11C of the tentative map approved by City Council Resolution No. 2007-644 on August 27, 2007, that are classified as Moderate Income, Lower Income, or Very Low Income (as defined in California Health and Safety Code Sections 50079.5, 50093, and 50105). However, if

any Initial Affordable Units are constructed on any other lots than those described above, then the units will not be considered Initial Affordable Units and will be assigned to a Land Use Class based on the type of use.

**“Land Use Class”** means any of the classes listed in Table 1 below.

**“Large Lot Parcels”** means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Final Mapped Property.

**“Maximum Special Tax”** means the Maximum Special Tax, determined in accordance with Section C, below that can be levied in any Fiscal Year on any Assessor’s Parcel within CFD No. 2012-06.

**“Multi-Family Residential”** means multiple separate housing units for residential inhabitants contained within one building or several buildings within one or more complexes (i.e., apartment building units).

**“Non-Residential Property”** means all Assessor’s Parcels of Developed Property for which a building permit was issued for a non-residential use and includes retail, restaurant, and office uses.

**“Operations and Maintenance Budget Maximum”** means the maximum total budget for each Fiscal Year, as shown on Exhibit B, which is restricted in total, not by eligible use category, plus any use of the Reserve Fund. The Operations and Maintenance Budget Maximum will increase annually beginning July 1, 2013, and on July 1 of each Fiscal Year thereafter, by an amount equal to the percentage increase in the Consumer Price Index.

**“Proportionately”** means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property. For Final Mapped Property, “Proportionately” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Final Mapped Property. For Large Lot Parcels, “Proportionately” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Large Lot Parcels.

**“Public Property”** means, for each Fiscal Year, (1) any property within the boundaries of CFD No. 2012-06 that was owned by, or irrevocably offered for dedication to, the federal government, the State, the City, or any other public agency as of June 30 of the previous Fiscal Year, except that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act will be taxed and classified in accordance with its use; and (2) any property within the boundaries of CFD No. 2012-06 that was encumbered, as of June 30 of the previous Fiscal Year, by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

**“Reserve Fund”** means a reserve fund to be used for maintenance costs.

**“Reserve Fund Requirement”** means an amount considered by the City in its sole

discretion as necessary for prudent financial management. It will be at least \$25,000 and will not exceed 100% of the anticipated annual cost of Eligible Facilities and Services in any given Fiscal Year as of June 30 of that year.

**“Residential Property”** means all Assessor’s Parcels of Developed Property for which a building permit has been issued for purposes of constructing one or more residential dwelling units.

**“Single-Family Residential”** means buildings containing one dwelling unit located on a single lot that are individually owned, attached or detached residences (i.e., townhome unit and/or condominium units).

**“Special Tax”** means the special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Developed Property to fund the Special Tax Requirement.

**“Special Tax Requirement”** means the amount required in any Fiscal Year for CFD No.2012-06 to (1) pay for Eligible Facilities and Services as shown on Exhibit A; (2) pay Administrative Expenses; and (3) fund the Reserve Fund up to the Reserve Fund Requirement as follows: in the first year an amount equal to 20% of the cost of Eligible Facilities and Services in that year plus \$25,000; and, in subsequent years, an amount not to exceed 20% of the cost of Eligible Facilities and Services for that year provided the Reserve Fund Requirement is met.

**“State”** means the State of California.

**“Taxable Property”** means all of the Assessor’s Parcels within the boundaries of CFD No. 2012-06 that are not exempt from the Special Tax by law or under Section E below.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within CFD No. 2012-06 will be classified as Developed Property, Final Mapped Property, or Large Lot Parcels, and will be subject to Special Taxes in accordance with the rate and method of apportionment determined under Sections C and D below. Developed Property will be classified as Single-Family Residential Property, Multi-Family Residential Property, Non-Residential Property, or California Highway Patrol Property (“CP Property”). Residential Property will be assigned to Land Use Class 1 or Land Use Class 2. All Non-Residential Property will be assigned to Land Use Class 3. The CP Property will be assigned Land Use Class 4. The Maximum Special Tax for Residential Property will be based on the number of dwelling units located on the Assessor's Parcel, as specified in Table 1 below. The Maximum Special Tax for Non-Residential Property will be based on the net as-built original square footage of building within the Assessor's Parcel. The Maximum Special Tax for CP Property will be as specified in Table 1 below.

**C. MAXIMUM SPECIAL TAX**

1. Developed Property

(a) **Maximum Special Tax**

The Fiscal Year 2012-2013 Maximum Special Tax for each Assessor’s Parcel of Developed Property will be the amount shown below in Table 1.

**TABLE 1**

**Maximum Special Tax for Developed Property**

<b>Land Use Class</b>	<b>Description</b>	<b>FY 2012-2013 Maximum Special Tax</b>
1	Single-Family Residential Property	\$ 543 per dwelling unit
2	Multi-Family Residential Property	\$ 272 per dwelling unit
3	Non-Residential Property	\$ 0.27 per square foot of building floor area
4	CP Property Tax Zone Parcels or Successors	\$10,654 in total, calculated on a square foot basis
5	Initial Affordable Units	exempt

(b) **Changes in the Maximum Special Tax**

On each July 1, beginning July 1, 2013, the Maximum Special Tax will be reviewed annually by an amount equal to the percentage change in the Consumer Price Index for the prior calendar year over the preceding calendar year. The maximum increase in any Fiscal Year may not exceed 4%.

(c) **Multiple Land Use Classes**

In some instances an Assessor’s Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor’s Parcel will be the sum of the Maximum Special Tax that can be levied for each Land Use Class located on that Assessor’s Parcel. The CFD Administrator’s allocation to each type of property will be final.

2. **Final Mapped Property**

The Fiscal Year 2012-2013 Maximum Special Tax for each Assessor’s Parcel of Final Mapped Property will be \$55,106 per Acre, and will increase annually thereafter, commencing on July 1, 2013 and on July 1 of each Fiscal Year thereafter, by an amount equal to the percentage increase in the Consumer Price Index with a maximum annual increase of four percent (4%) per Fiscal Year.

3. Large Lot Parcels

The Fiscal Year 2012-2013 Maximum Special Tax for each Assessor's Parcel of Large Lot Parcels will be \$55,106 per Acre, and will increase annually thereafter, commencing on July 1, 2013 and on July 1 of each Fiscal Year thereafter, by an amount equal to the percentage increase in the Consumer Price Index with a maximum annual increase of four percent (4%) per Fiscal Year.

**D. APPORTIONMENT OF THE ANNUAL SPECIAL TAX**

Commencing with Fiscal Year 2013/2014 and for each following Fiscal Year, the Council or its designee shall determine the Special Tax Requirement and levy the Special Tax until the amount of Special Tax levy equals the Special Tax Requirement. The Special Tax will be levied each Fiscal Year as follows:

First: The Special Tax will be levied proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax.

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax will be levied proportionately on each Assessor's Parcel of Final Mapped Property, up to the Maximum Special Tax.

Third: If additional monies are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax will be levied proportionately on each Assessor's Parcel of Large Lot Parcels, up to the Maximum Special Tax.

**E. EXEMPTIONS**

The Special Tax will not be levied on Property Owner Association Property, Public Property, Initial Affordable Units, as defined herein, or the portions of an Assessor's Parcel developed with parking structures. If, however, an Assessor's Parcel is no longer classified as Property Owner Association Property or Public Property, then its tax-exempt status will be revoked. For portions of an Assessor's Parcel developed with a parking structure the Special Tax will be levied as defined above in Section D until issuance of a building permit for construction of a parking structure was issued as of May 1 of the previous Fiscal Year.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator if that the appellant is current in his/her payments of the Special Tax. During the pendency of an appeal, the Special Tax must be paid on or before the payment date established when the levy was made. The appeal must specify why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and notify the appellant in writing of the determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall do either or both of the following, as appropriate: (1) eliminate or reduce the Special Tax on the appellant's property, and (2) provide a

refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, and if the appellant is current in his/her payments of the Special Tax, then the appellant may appeal to the Council by filing a written notice of appeal with the City Clerk within 30 days after receiving notice of the CFD Administrator's determination. The appeal to the Council must specify the reasons for appellant's disagreement with the CFD Administrator's determination.

The Council may, by ordinance or resolution, clarify any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. MANNER OF COLLECTION**

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes.

**H. TERM OF SPECIAL TAX**

The Special Tax will be levied as long as necessary to meet the Special Tax Requirement.

**Rate and Method of Apportionment  
Township 9 Community Facilities District No. 2012-06**

**EXHIBIT “A”**

Capitalized terms have the meanings ascribed to them in the Rate and Method of Apportionment.

The authorized services to be financed with the Special Tax are set forth below. The Special Tax may be levied to pay for any authorized services and to accumulate funds for that purpose. The primary function of CFD No. 2012-06 is to fund the maintenance of roadway facilities, transit facilities, parks, paseos, storm water drainage vaults (e.g., CONTECH StormFilter catch basins, or similar), and/or landscape areas within public rights-of-way. Funds may be used within the territory of CFD No. 2012-06 and in an adjoining park of approximately 1.3 acres at the north end of 5<sup>th</sup> Street, should the City acquire this area (currently owned by the County and not currently a parcel).

The authorized services for CFD No. 2012-06 consist of the following:

1. The repair and maintenance of roadway facilities, transit facilities, parks, paseos, and landscaped areas within public rights-of-way, including but not limited to hardscape, special paving features, sidewalks, irrigation facilities, plantings, lighting, soundwalls, monuments, signage, bollards, water-quality facilities, storm-water drainage vaults (e.g., CONTECH StormFilter catch basins, or equivalent), water fountains and other water features, and other appurtenances within and along public rights-of-way.
2. Scheduled inspection of maintenance of roadway facilities, water-quality facilities, storm-water drainage vaults, transit facilities, parks, paseos, and landscaped areas within public rights-of-way.
3. Paying utility bills associated with maintenance of roadway facilities, transit facilities, water-quality facilities, storm-water drainage vaults, parks, paseos, and landscaped areas within public rights-of-way
4. Establishing CFD No. 2012-06.
5. Collecting and administering the Special Tax and annually administering CFD No. 2012-06.
6. Miscellaneous costs related to any of the items described above, including costs of planning, engineering, legal services, and administration.

Rate and Method of Apportionment  
Township 9 Community Facilities District No. 2012-06

**EXHIBIT “B”**

**Operations and Maintenance Budget  
(Restricted in total, not by eligible use category)**

SECTION I: TRANSPORTATION

• Transit Station:	\$ 5,207
• North 7th Street:	\$ 20,688
• G Street:	\$ 17,853
• Riverine:	\$ 4,097
• DEF:	\$ 3,748
• Signature Street:	\$ 67,403
• Vine Street West:	\$ 131
• BCDG Vine East:	\$ 9,607
• Richards East:	\$ 5,115
• Richards West:	\$ 2,642
• North 5th Street:	\$ 2,886
• Park Boulevard:	\$ 7,397

SECTION II: PASEOS / PARKWAYS

• Transit Plaza:	\$ 36,173
• Park Blvd Median:	\$ 35,699
• MEW:	\$ 31,658
• North 7th Street Linear Park:	\$ 136,680
• Paseos:	\$ 40,145

SECTION III: PARKS

• Riverfront Park:	\$ 120,645
• Central Park:	\$ 34,144

**SUMMARY:**

SECTION I: TRANSPORTATION:	\$ 146,774
SECTION II: PASEOS / PARKWAYS:	\$ 280,355
SECTION III: PARKS:	\$ 154,789
<u>CITY ADMINISTRATIVE COSTS (3%):</u>	<u>\$ 17,457</u>
<b>TOTAL:</b>	<b>\$ 599,375</b>

## Exhibit B List of Authorized Services

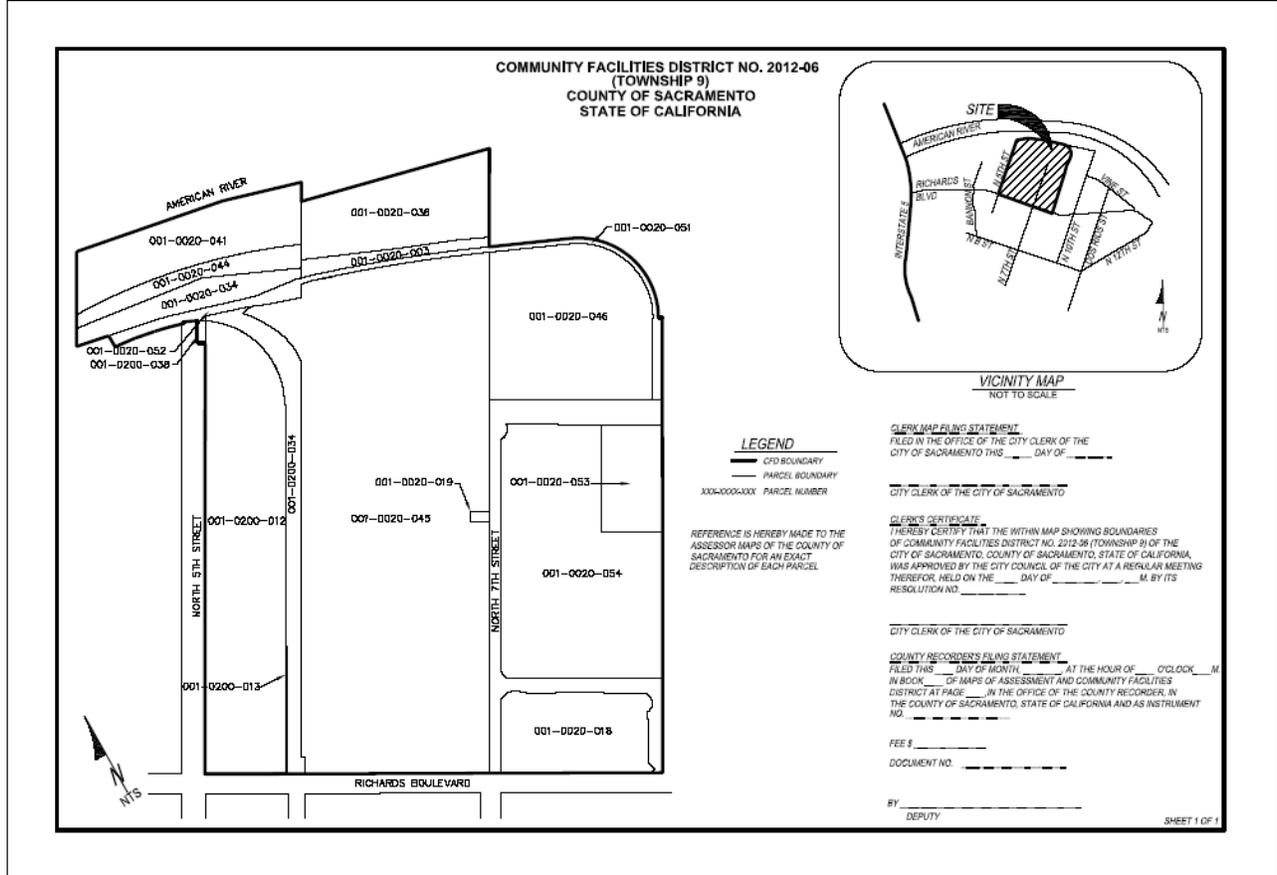
Capitalized terms have the meanings ascribed to them in the Rate and Method of Apportionment.

The authorized services to be financed with the Special Tax are set forth below. The Special Tax may be levied to pay for any authorized services and to accumulate funds for that purpose. The primary function of CFD No. 2012-06 is to fund the maintenance of roadway facilities, transit facilities, parks, paseos, storm water drainage vaults (e.g., CONTECH StormFilter catch basins, or similar), and/or landscape areas within public rights-of-way. Funds may be used within the territory of CFD No. 2012-06 and in an adjoining park of approximately 1.3 acres at the north end of 5<sup>th</sup> Street, should the City acquire this area (currently owned by the County and not currently a parcel).

The authorized services for CFD No. 2012-06 consist of the following:

1. The repair and maintenance of roadway facilities, transit facilities, parks, paseos, and landscaped areas within public rights-of-way, including but not limited to hardscape, special paving features, sidewalks, irrigation facilities, plantings, lighting, soundwalls, monuments, signage, bollards, water-quality facilities, storm-water drainage vaults (e.g., CONTECH StormFilter catch basins, or equivalent), water fountains and other water features, and other appurtenances within and along public rights-of-way.
2. Scheduled inspection of maintenance of roadway facilities, water-quality facilities, storm-water drainage vaults, transit facilities, parks, paseos, and landscaped areas within public rights-of-way.
3. Paying utility bills associated with maintenance of roadway facilities, transit facilities, water-quality facilities, storm-water drainage vaults, parks, paseos, and landscaped areas within public rights-of-way
4. Establishing CFD No. 2012-06.
5. Collecting and administering the Special Tax and annually administering CFD No. 2012-06.
6. Miscellaneous costs related to any of the items described above, including costs of planning, engineering, legal services, and administration.

# Exhibit C



**RATE AND METHOD OF APPORTIONMENT FOR  
CITY OF SACRAMENTO  
TOWNSHIP 9 COMMUNITY FACILITIES  
DISTRICT NO. 2012-06**

A Special Tax as hereinafter defined will be levied on all Assessor's Parcels in the City of Sacramento Township 9 Community Facilities District No. 2012-06 and collected each Fiscal Year commencing in Fiscal Year 2013-2014, in an amount determined by the Council, according to the method of apportionment set forth herein. All of the real property in CFD No. 2012-06, unless exempted by law or by the provisions hereof, will be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The 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, parcel map, condominium plan, or other recorded County parcel map.

**“Act”** means the Mello-Roos Community Facilities Act of 1982, as amended, set forth in Chapter 2.5 of Division 2 in Title 5 of the California Government Code.

**“Administrative Expenses”** means the actual or reasonably estimated costs directly related to the formation and administration of CFD No. 2012-06 including but not limited to the costs of computing the Special Tax and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Tax (whether by the County or otherwise); the costs to the City, CFD No. 2012-06, or any designee thereof of complying with City or CFD No. 2012-06 disclosure requirements; the costs associated with responding to public inquiries regarding the Special Tax; the costs of the City, CFD No. 2012-06, or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third-party expenses.

**“Assessor”** means the Sacramento County Assessor.

**“Assessor's Parcel”** means any real property to which an Assessor's parcel number is assigned as shown on an Assessor's Parcel Map.

**“Assessor's Parcel Map”** means an official map of the Assessor that designates parcels by Assessor's parcel number.

**“CFD Administrator”** means the official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Tax.

**“CFD No. 2012-06”** means the City of Sacramento Township 9 Community Facilities District No. 2012-06.

**“City”** means the City of Sacramento.

**“Consumer Price Index”** means the Consumer Price Index published by the U.S. Bureau of Labor Statistics for “All Items” in the San Francisco / Oakland / San Jose Area Urban Wage Earners and Clerical Workers, measured each calendar year. If this index ceases to be published, the Consumer Price Index will be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index for the San Francisco Bay Area.

**“CP Property Tax Zone”** means that real property generally bounded by North 7<sup>th</sup> Street to the west, Richards Boulevard to the south, the future extension of Vine Street to the north, and identified on the Boundary Map for CFD No. 2012-06 as Assessor’s parcel numbers 001-0020-018, 001-0020-054, and 001-0020-053. The territory identified by these Assessor’s parcel numbers is subject to the annual Special Tax rate identified in Table 1 for **“CP Property”**.

**“Council”** means the City Council of the City, acting as the governing board of CFD No. 2012-06.

**“County”** means the County of Sacramento.

**“Developed Property”** means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued as of June 30 of the previous Fiscal Year, other than the construction of a parking lot or parking structure.

**“Eligible Facilities and Services”** means facilities to be maintained and services to be financed and their territorial location, described in Exhibit A.

**“Exempt Property”** means any Assessor’s Parcel that is exempt from the Special Tax under Section E.

**“Final Mapped Property”** means, for each Fiscal Year, all Taxable Property with an approved Final Subdivision map.

**“Final Subdivision”** means a subdivision of property by recordation of a final map, parcel map, or lot-line adjustment in accordance with the Subdivision Map Act (beginning with California Government Code Section 66410) or recordation of a condominium plan in accordance with California Civil Code Section 1352 that creates individual lots for which building permits may be issued without further subdivision.

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

**“Initial Affordable Units”** means all residential dwelling units located on Assessor’s Parcels of Residential Property, on Lot 11A, Lot 11B, and Lot 11C of the tentative map approved by City Council Resolution No. 2007-644 on August 27, 2007, that are classified as Moderate Income, Lower Income, or Very Low Income (as defined in California Health and Safety Code Sections 50079.5, 50093, and 50105). However, if any Initial Affordable Units are constructed on any other lots than those described above, then the units will not be considered Initial Affordable Units and will be assigned to a Land Use Class based on the type of use.

**“Land Use Class”** means any of the classes listed in Table 1 below.

**“Large Lot Parcels”** means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Final Mapped Property.

**“Maximum Special Tax”** means the Maximum Special Tax, determined in accordance with Section C, below that can be levied in any Fiscal Year on any Assessor’s Parcel within CFD No. 2012-06.

**“Multi-Family Residential”** means multiple separate housing units for residential inhabitants contained within one building or several buildings within one or more complexes (i.e., apartment building units).

**“Non-Residential Property”** means all Assessor’s Parcels of Developed Property for which a building permit was issued for a non-residential use and includes retail, restaurant, and office uses.

**“Operations and Maintenance Budget Maximum”** means the maximum total budget for each Fiscal Year, as shown on Exhibit B, which is restricted in total, not by eligible use category, plus any use of the Reserve Fund. The Operations and Maintenance Budget Maximum will increase annually beginning July 1, 2013, and on July 1 of each Fiscal Year thereafter, by an amount equal to the percentage increase in the Consumer Price Index.

**“Proportionately”** means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property. For Final Mapped Property, “Proportionately” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Final Mapped Property. For Large Lot Parcels, “Proportionately” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Large Lot Parcels.

**“Public Property”** means, for each Fiscal Year, (1) any property within the boundaries of CFD No. 2012-06 that was owned by, or irrevocably offered for dedication to, the federal government, the State, the City, or any other public agency as of June 30 of the previous Fiscal Year, except that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act will be taxed and classified in accordance

with its use; and (2) any property within the boundaries of CFD No. 2012-06 that was encumbered, as of June 30 of the previous Fiscal Year, by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

**“Reserve Fund”** means a reserve fund to be used for maintenance costs.

**“Reserve Fund Requirement”** means an amount considered by the City in its sole discretion as necessary for prudent financial management. It will be at least \$25,000 and will not exceed 100% of the anticipated annual cost of Eligible Facilities and Services in any given Fiscal Year as of June 30 of that year.

**“Residential Property”** means all Assessor’s Parcels of Developed Property for which a building permit has been issued for purposes of constructing one or more residential dwelling units.

**“Single-Family Residential”** means buildings containing one dwelling unit located on a single lot that are individually owned, attached or detached residences (i.e., townhome unit and/or condominium units).

**“Special Tax”** means the special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Developed Property to fund the Special Tax Requirement.

**“Special Tax Requirement”** means the amount required in any Fiscal Year for CFD No.2012-06 to (1) pay for Eligible Facilities and Services as shown on Exhibit A; (2) pay Administrative Expenses; and (3) fund the Reserve Fund up to the Reserve Fund Requirement as follows: in the first year an amount equal to 20% of the cost of Eligible Facilities and Services in that year plus \$25,000; and, in subsequent years, an amount not to exceed 20% of the cost of Eligible Facilities and Services for that year provided the Reserve Fund Requirement is met.

**“State”** means the State of California.

**“Taxable Property”** means all of the Assessor’s Parcels within the boundaries of CFD No. 2012-06 that are not exempt from the Special Tax by law or under Section E below.

## **B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within CFD No. 2012-06 will be classified as Developed Property, Final Mapped Property, or Large Lot Parcels, and will be subject to Special Taxes in accordance with the rate and method of apportionment determined under Sections C and D below. Developed Property will be classified as Single-Family Residential Property, Multi-Family Residential Property, Non-Residential Property, or California Highway Patrol Property (“CP Property”). Residential Property will be assigned to Land Use Class 1 or Land Use Class 2. All Non-Residential Property will be assigned to Land Use Class 3. The CP Property will be assigned Land Use Class 4. The Maximum Special Tax for Residential Property will be based on

the number of dwelling units located on the Assessor's Parcel, as specified in Table 1 below. The Maximum Special Tax for Non-Residential Property will be based on the net as-built original square footage of building within the Assessor's Parcel. The Maximum Special Tax for CP Property will be as specified in Table 1 below.

**C. MAXIMUM SPECIAL TAX**

1. Developed Property

(a) Maximum Special Tax

The Fiscal Year 2012-2013 Maximum Special Tax for each Assessor's Parcel of Developed Property will be the amount shown below in Table 1.

**TABLE 1**

**Maximum Special Tax for Developed Property**

<b>Land Use Class</b>	<b>Description</b>	<b>FY 2012-2013 Maximum Special Tax</b>
1	Single-Family Residential Property	\$ 543 per dwelling unit
2	Multi-Family Residential Property	\$ 272 per dwelling unit
3	Non-Residential Property	\$ 0.27 per square foot of building floor area
4	CP Property Tax Zone Parcels or Successors	\$10,654 in total, calculated on a square foot basis
5	Initial Affordable Units	exempt

(b) Changes in the Maximum Special Tax

On each July 1, beginning July 1, 2013, the Maximum Special Tax will be reviewed annually by an amount equal to the percentage change in the Consumer Price Index for the prior calendar year over the preceding calendar year. The maximum increase in any Fiscal Year may not exceed 4%.

(c) Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor's Parcel will be the sum of the Maximum Special Tax that can be levied for each Land Use Class located on that Assessor's Parcel. The CFD Administrator's allocation to each type of property will be final.

2. Final Mapped Property

The Fiscal Year 2012-2013 Maximum Special Tax for each Assessor's Parcel of Final Mapped Property will be \$55,106 per Acre, and will increase annually thereafter, commencing on July 1, 2013 and on July 1 of each Fiscal Year thereafter, by an amount equal to the percentage increase in the Consumer Price Index with a maximum annual increase of four percent (4%) per Fiscal Year.

3. Large Lot Parcels

The Fiscal Year 2012-2013 Maximum Special Tax for each Assessor's Parcel of Large Lot Parcels will be \$55,106 per Acre, and will increase annually thereafter, commencing on July 1, 2013 and on July 1 of each Fiscal Year thereafter, by an amount equal to the percentage increase in the Consumer Price Index with a maximum annual increase of four percent (4%) per Fiscal Year.

**D. APPORTIONMENT OF THE ANNUAL SPECIAL TAX**

Commencing with Fiscal Year 2013/2014 and for each following Fiscal Year, the Council or its designee shall determine the Special Tax Requirement and levy the Special Tax until the amount of Special Tax levy equals the Special Tax Requirement. The Special Tax will be levied each Fiscal Year as follows:

First: The Special Tax will be levied proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax.

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax will be levied proportionately on each Assessor's Parcel of Final Mapped Property, up to the Maximum Special Tax.

Third: If additional monies are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax will be levied proportionately on each Assessor's Parcel of Large Lot Parcels, up to the Maximum Special Tax.

**E. EXEMPTIONS**

The Special Tax will not be levied on Property Owner Association Property, Public Property, Initial Affordable Units, as defined herein, or the portions of an Assessor's Parcel developed with parking structures. If, however, an Assessor's Parcel is no longer classified as Property Owner Association Property or Public Property, then its tax-exempt status will be revoked. For portions of an Assessor's Parcel developed with a parking structure the Special Tax will be levied as defined above in Section D until issuance of a building permit for construction of a parking structure was issued as of May 1 of the previous Fiscal Year.

**F. APPEALS AND INTERPRETATIONS**

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The Council may, by ordinance or resolution, clarify any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. MANNER OF COLLECTION**

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes.

**H. TERM OF SPECIAL TAX**

The Special Tax will be levied as long as necessary to meet the Special Tax Requirement.

Rate and Method of Apportionment  
Township 9 Community Facilities District No. 2012-06

**EXHIBIT “A”**

Capitalized terms have the meanings ascribed to them in the Rate and Method of Apportionment.

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The authorized services for CFD No. 2012-06 consist of the following:

1. The repair and maintenance of roadway facilities, transit facilities, parks, paseos, and landscaped areas within public rights-of-way, including but not limited to hardscape, special paving features, sidewalks, irrigation facilities, plantings, lighting, soundwalls, monuments, signage, bollards, water-quality facilities, storm-water drainage vaults (e.g., CONTECH StormFilter catch basins, or equivalent), water fountains and other water features, and other appurtenances within and along public rights-of-way.
2. Scheduled inspection of maintenance of roadway facilities, water-quality facilities, storm-water drainage vaults, transit facilities, parks, paseos, and landscaped areas within public rights-of-way.
3. Paying utility bills associated with maintenance of roadway facilities, transit facilities, water-quality facilities, storm-water drainage vaults, parks, paseos, and landscaped areas within public rights-of-way
4. Establishing CFD No. 2012-06.
5. Collecting and administering the Special Tax and annually administering CFD No. 2012-06.
6. Miscellaneous costs related to any of the items described above, including costs of planning, engineering, legal services, and administration.

Rate and Method of Apportionment  
Township 9 Community Facilities District No. 2012-06

**EXHIBIT “B”**

**Operations and Maintenance Budget  
(Restricted in total, not by eligible use category)**

SECTION I: TRANSPORTATION

- Transit Station: \$ 5,207
- North 7th Street: \$ 20,688
- G Street: \$ 17,853
- Riverine: \$ 4,097
- DEF: \$ 3,748
- Signature Street: \$ 67,403
- Vine Street West: \$ 131
- BCDG Vine East: \$ 9,607
- Richards East: \$ 5,115
- Richards West: \$ 2,642
- North 5th Street: \$ 2,886
- Park Boulevard: \$ 7,397

SECTION II: PASEOS / PARKWAYS

- Transit Plaza: \$ 36,173
- Park Blvd Median: \$ 35,699
- MEW: \$ 31,658
- North 7th Street Linear Park: \$ 136,680
- Paseos: \$ 40,145

SECTION III: PARKS

- Riverfront Park: \$ 120,645
- Central Park: \$ 34,144

**SUMMARY:**

SECTION I: TRANSPORTATION:	\$ 146,774
SECTION II: PASEOS / PARKWAYS:	\$ 280,355
SECTION III: PARKS:	\$ 154,789
<u>CITY ADMINISTRATIVE COSTS (3%):</u>	<u>\$ 17,457</u>
<b>TOTAL:</b>	<b>\$ 599,375</b>



**Township 9 Community Facilities District No. 2012-06  
List of Authorized Services**

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The authorized services to be financed with the special tax are set forth below. The special tax may be levied to pay for any authorized services or to accumulate funds for that purpose. The primary function of the District is to fund the maintenance of roadway facilities, transit facilities, parks, paseos, storm-water drainage vaults (e.g., CONTECH StormFilter catch basins, or equivalent), and landscaped areas within public rights-of-way. Funds may be used within the territory of the District and in an adjoining park of approximately 1.3 acres at the north end of 5<sup>th</sup> Street, should this area be acquired by the City (currently owned by Sacramento County and not currently a parcel).

The District’s authorized services consist of the following:

1. The repair and maintenance of roadway facilities, transit facilities, parks, paseos, and landscaped areas within public rights-of-way, including but not limited to hardscape, special paving features, sidewalks, irrigation facilities, plantings, lighting, soundwalls, monuments, signage, bollards, water-quality facilities, storm-water drainage vaults (e.g., CONTECH StormFilter catch basins, or equivalent), water fountains and other water features, and other appurtenances within and along public rights-of-way.
2. Scheduled inspection of maintenance of roadway facilities, water-quality facilities, storm-water drainage vaults, transit facilities, parks, paseos, and landscaped areas within public rights-of-way.
3. Paying utility bills associated with maintenance of roadway facilities, transit facilities, water-quality facilities, storm-water drainage vaults, parks, paseos, and landscaped areas within public rights-of-way
4. Establishing the District.
5. Collecting and administering the special tax and annually administering the District.

Miscellaneous costs related to any of the items described above, including costs for planning, engineering, legal services, and administration.



Back to Table  
of Contents

# Boundary Map

## Proposed Township 9 CFD No. 2012-06

