



# REPORT TO COUNCIL **14**

## City of Sacramento

915 I Street, Sacramento, CA 95814-2671  
www.CityofSacramento.org

CONSENT  
October 25, 2005

Honorable Mayor and  
Members of the City Council

**Subject:** Annexation No. 1 to the North Natomas Transportation Management Association (TMA) Community Facilities District No. 99-01 - Initiate Proceedings

**Location/Council District:**

Annexation No. 1 to the North Natomas TMA Community Facilities District (CFD) No. 99-01 is located in North Natomas in Council District 1 (Attachment A, page 4).

**Recommendation:**

Adopt a Resolution: 1) initiating the CFD annexation process and setting a time and place for a Public Hearing, November 29, 2005.

**Contact:** Ron Wicky, Program Specialist, (916) 808-5628; Edward Williams, Development Engineering & Finance Manager, (916) 808-5440

**Presenters:** Ron Wicky, Program Specialist

**Department:** Development Services

**Division:** Development Engineering and Finance

**Organization No:** 4815

**Summary:**

This report proposes the annexation of territory into the existing CFD to fund transportation and air quality mitigation services in North Natomas. The recommended Council action will set the public hearing for November 29, 2005 (Attachment B, page 5).

**Committee/Commission Action:** None

**Background Information:**

On June 29, 1999, City Council approved the Resolution to form CFD No. 99-01 that provides funding for transportation and air quality mitigation services in North Natomas by levying taxes on all developed properties.



The North Natomas Community Plan, adopted by City Council on May 3, 1994 envisioned a transportation systems management plan that would address transportation and air quality mitigation goals required for development of the area. To coordinate these efforts, a community based TMA was formed in February 1999, to assist the community in meeting its trip and emission reduction goals.

Through a contractual agreement between the City and the North Natomas TMA, this CFD provides a permanent funding mechanism for the TMA. The transportation and air quality mitigation services benefits both residents and employees in North Natomas.

This annexation will annex the Machado subdivision boundary into the existing TMA boundary.

**Financial Considerations:**

There is no impact to the General Fund. Only developed properties will be subject to the CFD tax as described in Exhibit C - Maximum Special Tax Rates. Any shortfalls in the TMA's revenue projections will be adjusted in their budget.

The maximum annual special tax rate levied on new residential properties for FY 2005/06 is \$20.78 per single family parcel. The FY 2006/07 special tax will be adjusted with an annual escalation factor based on the Consumer Price Index, not to exceed 4%.

**Environmental Considerations:**

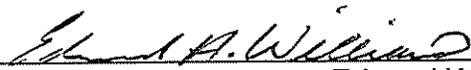
Under California Environmental Quality Act (CEQA) Guidelines, administration and annexation into a CFD do not constitute a project and therefore is exempt from review.

**Policy Considerations:**

The procedures under which this CFD annexation is being initiated are set forth in Title 5 of the Government Code, Sections 53311-53317.5, entitled "The Mello-Roos Community Facilities Act of 1982." Annexation into the North Natomas TMA District is consistent with the City's Strategic Plan in preserving and enhancing the City's neighborhoods and quality of life.

**Emerging Small Business Development (ESBD):**

None. No goods or services are being purchased.

Respectfully Submitted by:   
Edward Williams  
Manager, Development Engineering and Finance

Recommendation Approved:

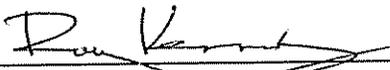
  
FOC ROBERT P. THOMAS  
City Manager

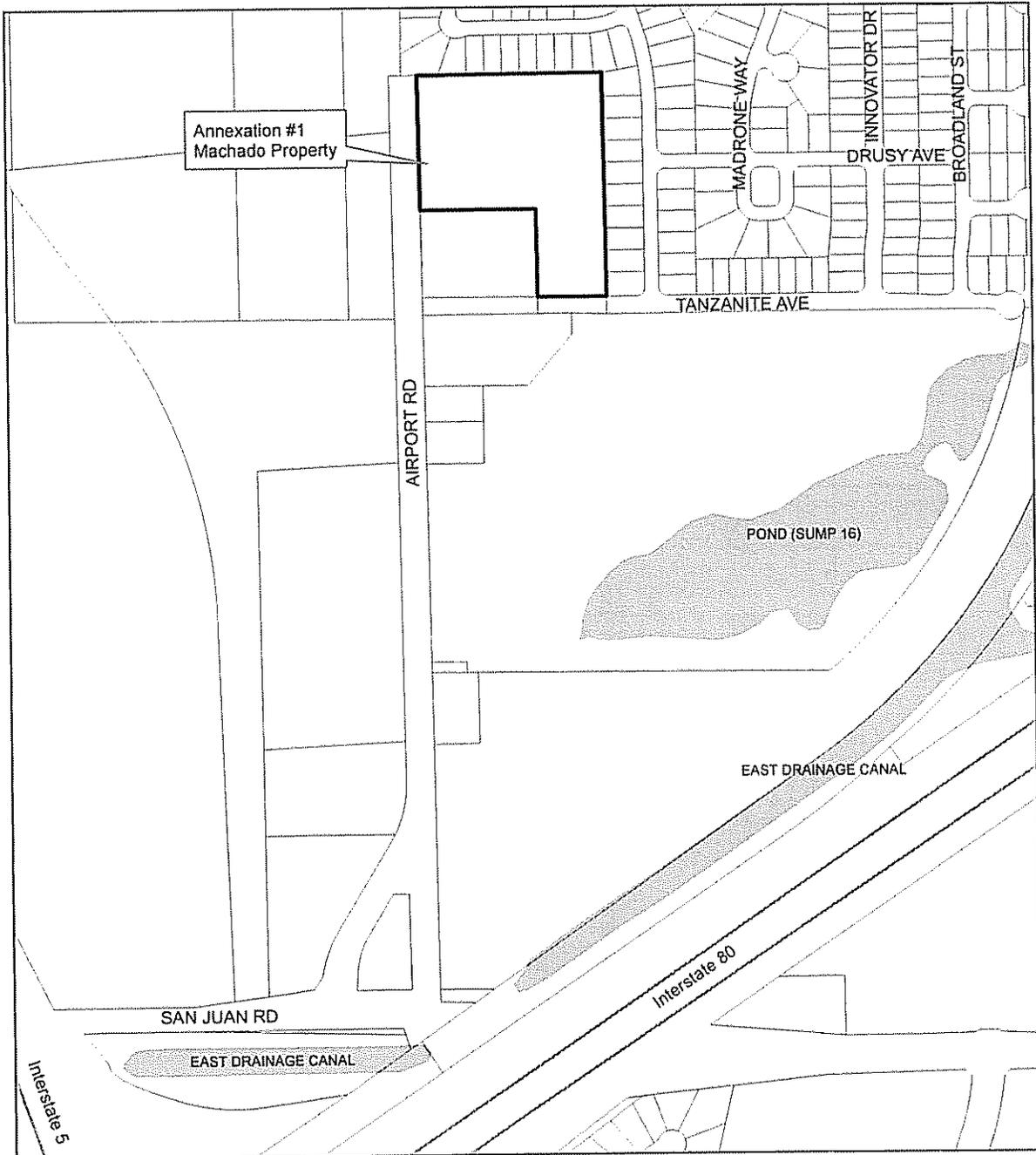
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# ATTACHMENT A

## Location Map



## ATTACHMENT B

### ANNEXATION #1 TO THE NORTH NATOMAS TMA COMMUNITY FACILITIES DISTRICT (CFD) NO. 99-01 SCHEDULE

<b>October 25, 2005</b>	<b>City Council - Resolution of Intention</b>
October 26, 2005	Mail Notice of Hearing
November 29, 2005	City Council - Hearing, Call for Special Election
November 30, 2005	Mail Ballots
December 21, 2005	Ballots Due
January 10, 2006	City Council - Election Results & Pass for Publication Ordinance to Levy Tax
January 11, 2006	Record Notice of "Special Tax"
January 17, 2006	City Council - Adopt Ordinance to Levy Tax

## **RESOLUTION NO.**

Adopted by the Sacramento City Council

### **RESOLUTION OF INTENTION TO ANNEX TERRITORY TO THE NORTH NATOMAS TMA COMMUNITY FACILITIES DISTRICT NO. 99-01 AND TO LEVY A SPECIAL TAX WITHIN THE ANNEXED TERRITORY TO FINANCE TRANSPORTATION AND AIR QUALITY MITIGATION SERVICES (ANNEXATION NO. 1)**

#### **BACKGROUND:**

- A.** The City Council (the "Council") of the City of Sacramento (the "City") has previously established the North Natomas TMA Community Facilities District No. 99-01 (the "District") under the Mello-Roos Community Facilities Act of 1982 (Government Code sections 53311 to 53368.3) (the "Act"), and has previously levied a special tax on property in the District to pay for transportation and air quality mitigation services in North Natomas and related services to be provided within the District, all in accordance with the Act and with title 3, chapter 3.124, of the Sacramento City Code ("Chapter 3.124").
- B.** The Council has determined that the establishment of the District is consistent with and follows the local goals and policies concerning the use of the Act that have been adopted by the Council and are now in effect. The Council has also determined that public convenience and necessity require that territory be added to the District.
- C.** The Council is fully advised in this matter.

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

**Section 1.** The above recitals are true, and the Council so finds and determines.

**Section 2.** It is the intention of the Council, and the Council hereby proposes, to annex territory to the District in accordance with the Act. The boundaries of the territory proposed for annexation are shown on the map entitled "Area Map" attached hereto as Exhibit C. Exhibit C also shows the territory included in the existing District. A map showing the territory proposed to be annexed (the "Boundary Map") is on file in the Office of the City Clerk, is in the form required by section 3110 of the Streets and Highways Code, and is hereby approved. The City Clerk is directed to file a copy of the Boundary Map with the County Recorder of the County of Sacramento within 15 days hereafter, and in no event later than 15 days prior to the hearing, for placement in the

Book of Maps of Assessment and Community Facilities Districts, in accordance with section 3111 of the Streets and Highways Code.

**Section 3.** The name of the proposed annexation to the District is "North Natomas TMA Community Facilities District No. 99-01, Annexation No. 1."

**Section 4.** The District was formed solely to provide transportation and air quality mitigation services in North Natomas and for related purposes, and will not finance capital improvements or issue bonds. The services provided in the existing District and the services to be provided in the territory proposed to be annexed are set forth in Exhibit A, attached hereto and incorporated herein by this reference, all of which are as authorized by the Act and by Chapter 3.124. The District will also finance all costs and expenses normally incidental to the provision of the transportation and air quality mitigation services in North Natomas and related services, including but not limited to those for elections, engineering, contract supervision, planning, legal services, and City administration.

**Section 5.** Except where funds are otherwise available, a special tax sufficient to pay for the transportation and air quality mitigation services in North Natomas and related services, secured by recordation of a continuing lien against all nonexempt real property in the District, will be levied annually within the District. In accordance with Chapter 3.124, certain City-owned property within the District will be subject to the lien for the special tax. The tax is to be collected as a separately stated item on the county property-tax bill, but the Council reserves the right to change the method of collection at any time. The special tax shall be apportioned according to the number of a Residential Units assigned to a parcel, at the per annum tax rates specified in Exhibit B, the "Rate and Method of Apportionment of Special Tax," attached hereto and incorporated herein by this reference. The rates shown in Exhibit B are maximum rates. The special tax levied on all parcels may be increased pro rata, but not more than 10%, on account of the default or delinquency of the owner of any parcel. The rates may also be escalated for inflation under Chapter 3.124, as specified in Exhibit B. If tax collections at the stated rates exceed the amount required to pay the Annual Costs, the rates may be reduced in accordance with the formulae set forth in Exhibit B. The special tax levied and to be collected hereunder shall be in perpetuity, unless and until the need for the transportation and air quality mitigation services in North Natomas and related services no longer exists.

**Section 6.** It is the intention of the Council, in accordance with section 53317.3 of the Act, to continue to levy the special tax on property, not otherwise exempt from the tax, that is acquired by a public entity through a negotiated transaction or by gift or devise; provided, however, that the Council may annually determine whether public property shall be subject to this tax or be tax exempt.

**Section 7.** It is the intention of the Council, in accordance with section 53317.5 of the Act, to treat the obligation to pay the special tax levied against property that is acquired by a public entity through eminent-domain proceedings as if it were a special annual

assessment; provided, however, that the Council may annually determine whether public property shall be subject to this tax or be tax exempt.

**Section 8.** It is the intention of the Council, under section 53340.1 of the Act, to levy the special tax on the leasehold or possessory interests in property that is owned by a public agency and not otherwise exempt from the special tax, to be payable by the owner of the leasehold or possessory interests in the property.

**Section 9.** It is the intention of the Council, under section 53325.7 of the Act, to establish an appropriations limit for the District, as defined by subdivision (h) of section 8 of article XIII B of the California Constitution.

**Section 10.** The Council fixes 2:00 p.m. on November 29, 2005, in the Council Chambers at City Hall, 915 I Street, First Floor, Sacramento, California, as the time and place for a public hearing on the proposed annexation to the District, the proposed levy of special taxes, and all other matters as set forth in this resolution. At the public hearing, any persons interested, including all taxpayers, owners of property within the District, and registered voters residing within the District, may appear and be heard, and the testimony of all interested persons or taxpayers for or against the proposed annexation and the levy of the special tax within the territory to be annexed, or the transportation and air quality mitigation services in North Natomas and related services to be provided, or any other matters set forth herein, will be heard and considered. Any protests to the foregoing may be made orally or in writing by any interested persons or taxpayers, except that protests pertaining to the regularity or sufficiency of the proceedings must be in writing and must clearly set forth the irregularities and defects to which the objection is made. The Council may waive any irregularities in the form or content of any written protest and at the public hearing may correct minor defects in the proceedings. All written protests must be filed with the City Clerk on or before the time fixed for the public hearing, and any written protest may be withdrawn in writing at any time before the conclusion of the public hearing. If, at the conclusion of the hearing, the Council determines to proceed with the proposed annexation of territory to the District, then the question of levying a special tax within the area proposed to be annexed will be submitted to the qualified electors of that area in an election under sections 53326, 53339.7, and 53339.8 of the Act, to be held not less than 90 days thereafter, unless appropriate waivers pursuant to section 53326 have been filed with the City Clerk. The special tax may be levied if at least two-thirds of those voting approve the measure.

**Section 11.** In the opinion of the Council, the public interest will not be served by allowing the owners of property in the District to enter into a contract under section 53329.5, subdivision (a), of the Act to perform the transportation and air quality mitigation services in North Natomas and related services to be financed under the Act and Chapter 3.124.

**Section 12.** The Council directs Edward Williams, Development Engineering and Finance Manager of the Development Services Department of the City, to prepare the report required by section 53321.5 of the Act and to file the report with the Council at or before the time of the hearing.

**Section 13.** The City Clerk is directed to publish and mail notice of the hearing in accordance with sections 53322, 53322.4, and 53339.4 of the Act, as follows:

- (a) A notice of public hearing in the form required by the Act shall be published in the Daily Recorder, a newspaper of general circulation published in the area of the District. The publication shall be made in accordance with section 6061 of the Government Code and shall be completed at least seven days prior to the date set for the public hearing.
- (b) A notice of public hearing in the form required by the Act shall be mailed, first-class postage prepaid, to each owner of property within the District and to each registered voter residing within the District. The mailing to property owners shall be made to the property owners at their addresses as shown on the records of the Sacramento County Treasurer-Tax Collector or as otherwise known to the City Clerk. The mailing to registered voters shall be made to the registered voters at their addresses as shown on the records of the Sacramento County Registrar of Voters or as otherwise known to the City Clerk. All mailings shall be completed at least 15 days prior to the date set for such public hearing. The notice of hearing shall include a description of the voting procedures in accordance with section 53322, subdivision (b)(4), of the Act.

**Table of Contents:**

- Exhibit A: List of Authorized Services – 1 Page
- Exhibit B: Rate and Method of Apportionment of Special Tax – 6 Pages
- Attachment 1 to Exhibit B: Maximum Special Tax Rates – 1 Page
- Exhibit C: Area Map of Existing Annexations – 1 Page

## Exhibit A

City of Sacramento, California  
North Natomas TMA Community Facilities District No. 99-01  
(Transportation and Air Quality Services)

### List of Authorized Services

Sacramento City Council Ordinance 99-008 provides that a Community Facilities District formed under the Act may provide within an area transportation services and air quality mitigation services, to assist in achievement of transportation management and air quality goals expressed in any applicable General Plan or Community Plan.

The authorized services for CFD No. 99-01 include:

1. Transportation services, including transit pass subsidies, bus shuttle service, guaranteed ride home programs, ridesharing matching, distribution of transit information such as routes, schedules, fares and related information, alternative mode allowances, parking reduction credits, carshare programs, transit service advocacy, transportation fairs and similar promotional events, and services related to any one or more of the matters specified in this subsection.
2. Air quality mitigation services, including electric equipment rebate programs, electric vehicle support services, vehicle tune-up rebate programs, low emission appliance rebate programs, air quality fairs and similar promotional events, and services related to any one or more of the matters specified in this subsection.
3. Bicycle services, including bicycle racks and lockers at public civic uses, bicycle racks on transit vehicles, bikeshare programs, electrified bicycle promotion, bicycle fairs and similar promotional events, and services related to any one or more of the matters specified in this subsection.
4. Funding of costs of formation and ongoing operation of the North Natomas TMA, costs of Community Facilities District (CFD) formation and annual administration, and any miscellaneous costs related to any of the matters described in this list of services including planning costs, engineering costs, legal costs, and administration costs.
5. Any other services that serve to advance the goals and objectives specified in the above and which the board of the TMA has approved and which are included within the transportation management plan adopted by the board.

The special taxes may also be levied to accumulate funds for the above authorized services.

## Exhibit B

City of Sacramento, California  
North Natomas TMA Community Facilities District No. 99-01  
(Transportation and Air Quality Services)

### RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

#### 1. Basis of Special Tax Levy

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 (the "Act") applicable to the land in the North Natomas Community Facilities District No. 99-01 (the "CFD") of the City of Sacramento (the "City") shall be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate, as described below.

#### 2. Definitions

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311 and following of the California Government Code, and further amended by City of Sacramento Ordinance No. 99-008, an ordinance amending Title 81 of the Sacramento City Code.

**"Administrative Expenses"** means the actual or estimated costs incurred by the City to form the CFD and to determine, levy and collect the Special Taxes, including salaries of City employees and the fees of consultants and legal counsel; the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports; and any other costs required to administer the CFD as determined by the City.

**"Annexation Parcel"** means a Parcel, which was not included within the boundaries of the CFD at the time of formation. Parcels are required to annex to the District based upon City policy.

**"Annual Costs"** means for each Fiscal Year, the total of 1) Authorized TMA Services, as defined in the authorized list of services, 2) CFD Administrative Expenses; and 3) any amounts needed to cure actual or estimated delinquencies in Special Taxes for the current or previous Fiscal Year.

**"Assessor"** means the Assessor of the County of Sacramento.

**"Authorized Services"** mean those services, as listed in the Resolution forming CFD 99-01.

**"Base Fiscal Year"** means the Fiscal Year beginning July 1, 1999 and ending June 30, 2000.

**"Building Square Feet"** means the square feet of any floor area used for sales as determined by the City at building permit issuance or special use permit issuance.

**"CFD"** means the North Natomas TMA Community Facilities District No. 99-01 of the City of Sacramento, California.

**"City"** means City of Sacramento, California.

**"Condominiums"** means a Developed Residential Parcel with an approved land use for condominiums (more than two attached dwelling units that are owned individually). Parcels that are open space, recreation, clubhouse etc, owned by a Condominium Association or Homeowners Association, are Tax-Exempt Parcels.

**"Commercial"** means the land uses classified under 'Retail-Commercial' in the North Natomas Community Plan as may be amended, including Neighborhood Convenience Commercial, Village Commercial, Community Commercial, Transit Commercial, Highway Commercial, and Regional Commercial.

**"Council"** means the City Council of the City of Sacramento acting for the CFD under the Act.

**"County"** means the County of Sacramento, California.

**"Detached Residential Unit"** means a Developed Residential Parcel with an approved land use for a single family, detached residential dwelling unit, or a duplex (two units per lot).

**"Developed Residential Parcel"** means a residential Parcel, which has:

- A recorded final small lot map for residential uses permitting up to 2 units per lot, or
- A special use permit for development of Multi-Family Units or Condominiums.

**"Developed Non-Residential Parcel"** means a Parcel which has a special use permit or building permit for development of Office, Industrial, Commercial land uses, or Sports Complex (Arena or Stadium).

**"Fiscal Year"** means the period starting July 1 and ending the following June 30.

**"Industrial"** means a Parcel that is designated for Light Industrial, or Manufacturing, Research, and Development, as described in the North Natomas Community Plan, as may be amended.

**"Maximum Annual Special Tax"** means the greatest amount of Special Tax that can be levied against a Parcel calculated by multiplying the Maximum Annual Special Tax Rate times the relevant units of the parcel.

**"Maximum Annual Special Tax Rate"** means the amount shown in **Attachment 1** for a Fiscal Year that is used in calculating the Maximum Annual Special Tax for a Parcel based on its land use classification and landscape intensity.

**"Maximum Annual Special Tax Revenue"** means the greatest amount of revenue that can be collected in total from a group of Parcels by levying the Maximum Annual Special Tax Rates.

**"Multi-Family Units"** means a Developed Residential Parcel with an approved land use for three or more attached residential units owned in common.

**"Net Acre"** is the area of a Parcel after dedication of all public uses and rights-of-way.

**"Office"** means a Parcel designated for office use.

**"Parcel"** means any Assessor's parcel in the CFD based on the equalized tax rolls of the County as of March 1 of each Fiscal Year.

**"Parcel Number"** means the Assessor's Parcel Number for any Parcel based on the equalized tax rolls of the County as of March 1 of each Fiscal Year.

**"Public Parcel"** means any Parcel, in its entirety, that is or is intended to be publicly owned in the North Natomas Community Plan as adopted by the City--or as subsequently designated by the City--that is normally exempt from the levy of general ad valorem property taxes under California law, including public streets; schools; parks; and public drainageways, public landscaping, wetlands, greenbelts, and public open space. These parcels are exempt from the levy of Special Taxes under the Mello-Roos Act.

**"Special Tax(es)"** mean(s) any tax levy under the Act in the CFD.

**"Sports Complex (Arena or Stadium)"** means the City-owned parcels designated in the Community Plan as Sports Complex with Assessor's Parcel Numbers 225-0070-076, 225-0070-059, 225-0070-063, 225-0070-067, 225-0070-060, and their successors. The City has determined that any Parcels participating in the CFD may, upon Council approval, be classified as Taxable Parcels through private party fee ownership, lease, or other similar arrangements. The classification decision as to Taxable or Tax-Exempt status may be made annually. If a land use entitlement is granted for other than a permitted Sports Complex, parcel(s) receiving such entitlement will revert to Developed Residential or Developed Non-Residential Parcels. If transferred to a private owner, these Parcels will be treated like any other Taxable Parcel. At the time of formation, the Arena operator has elected not to participate in the CFD.

**"Tax Collection Schedule"** means the document prepared by the City for the County Auditor-Controller to use in levying and collecting the Special Taxes each Fiscal Year.

**"Taxable Parcel"** means any Parcel that is classified as a Developed Residential Parcel or Developed Non-Residential Parcel.

**"Tax Escalation Factor"** means an annual percentage increase in the Maximum Annual Special Tax Rate based upon the Consumer Price Index (CPI) (prior calendar year annual average, San Francisco, All Urban Consumers (CPI-U) Index), not to exceed 4%.

**"Tax-Exempt Parcel"** means a Parcel not subject to the Special Tax. Tax-Exempt Parcels include: (i) Public Parcels (subject to the limitations set forth in Section 4, below); (ii) Sports Complex Parcels while owned and operated by the City, and (iii) all other Parcels not defined as Developed Residential Parcels or Developed Non-Residential Parcels.

### 3. Duration of the Special Tax

Parcels in the CFD will remain subject to the special tax in perpetuity.

### 4. Assignment of Maximum Annual Special Tax

A. Classification of Parcels. By June 30 of each Fiscal Year, using the Definitions above, the parcel records of the Assessor's Secured Tax Roll as of January 1, and other City development approval records, the City shall cause:

1. Each Parcel to be classified as a Tax-Exempt Parcel or a Taxable Parcel.
2. Each Parcel further classified as a Detached Residential Unit, Multi-Family Units, Condominiums, Office, Commercial, Industrial, or Sports Complex (Arena or Stadium).

B. Assignment of Maximum Annual Special Tax.

**Attachment 1** shows the Base Year Maximum Special Tax rates. Each Fiscal Year following the Base Year, the Maximum Special Tax rates shall be increased in accordance with the Tax Escalation Factor.

C. Annexation Parcels. Parcels annexing to the CFD shall have their Maximum Special Tax rate assigned by following the procedures in Sections 4.A and 4.B. above.

D. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel is not needed for public use and/or is converted to Developed Residential Parcel, Developed Non-Residential Parcel, or Taxable Parcel upon Council approval, it shall become subject to the Special Tax. The Maximum Annual Special Tax for such a Parcel shall be assigned according to 4.A and 4.B above. Conversely, if a Taxable Parcel is converted to a Parcel that meets the definition of a Public Parcel, it shall become Tax-Exempt.

## 5. Calculating Annual Special Taxes

The City shall compute the Annual Costs and determine the Maximum Annual Special Tax for each parcel based on the assignment of the Special Tax in Section 4. The City will then determine the tax levy for each parcel using the following process:

- A. Compute the Annual Cost using the definition in Section 2 for the Fiscal Year.
- B. Calculate the Special Tax for each Taxable Parcel by the following:
  - Calculate the Maximum Annual Special Tax Revenues by setting the tax rate for each Taxable Parcel at 100% of its Maximum Annual Special Tax shown in **Attachment 1**. Proportionately reduce the special tax for each Taxable Parcel until the tax levy is set at an amount sufficient to fund the Annual Costs.
- C. Prepare the Tax Collection Schedule listing the Special Tax levy for each Taxable Parcel and send it to the County Auditor-Controller requesting that it be placed on the general, secured property tax roll for the Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor-Controller for such inclusion.

The City shall make every effort to correctly calculate the Special Tax for each Parcel. It shall be the burden of the taxpayer to correct any errors in the determination of the parcels subject to the tax and their Special Tax assignments.

## 6. Records Maintained for the CFD

As development and subdivision of North Natomas takes place, the City will maintain a file containing records of the following information for each Parcel:

- The current Parcel Number;
- The Parcel acreage (gross, gross developable or net); and
- Number of residential units per parcel.
- Square feet of building space for non-residential parcels that have a recorded special use permit.

The file containing the information listed above will be available for public inspection.

## 7. Appeals

Any taxpayer who feels that the amount of the Special Tax assigned to a Parcel is in error may file a notice with the City appealing the levy of the Special Tax. The City will then promptly review the appeal, and if necessary, meet with the applicant. If the City verifies that the tax should be modified or changed, a recommendation at that time will

Annexation #1 to the North Natomas TMA CFD:  
Initiate Proceedings

October 25, 2005

be made to the Council and, as appropriate, the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.

Interpretations may be made by Resolution of the Council for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties or any definition applicable to the CFD.

**Attachment 1 to RMA Exhibit B**

**City of Sacramento CFD No. 99-01 Maximum Special Tax Rates**

Base Year 1999-00 Land Use	Maximum Special Tax Rate	Fiscal Year 2005-06 Maximum Special Tax Rate
[1]		
<b>Developed Residential Parcels</b>		
Detached Single Family Units	\$18.00 Unit	\$20.78 Unit
Multi-Family Units and Condominiums	\$14.00 Unit	\$16.16 Unit
<b>Developed Non-Residential Parcels</b>		
Office	\$0.06 Bldg. Sq.ft.	\$0.07 Bldg. Sq.ft.
Commercial	\$0.10 Bldg. Sq.ft.	\$0.12 Bldg. Sq.ft.
Industrial	\$0.03 Bldg. Sq.ft.	\$0.03 Bldg. Sq.ft.
Sports Complex [2] - Arena (84.2 acres) - Stadium Parcel (100 acres - undeveloped)	\$200.00 Net Acre	\$230.96 Net Acre

[1] Following the Base Year 1999-2000, the Maximum Special Tax Rates will escalate annually based upon the Consumer Price Index (CPI) prior year average, San Francisco, All Urban Consumers, (CPI-U), not to exceed 4%.

[2] The Sports Complex parcel(s) are owned by the City and thus exempt under the Mello-Roos Act. The City has by ordinance determined that its properties known as the "Sports Complex" may, upon council approval, be subject to the tax formula. The Arena is the only developed property at this time. Based upon the sublease agreement between the City, as sublessor, and the Arena operator, as sublessee, said sublessee holds authority to determine the participation of the leased Arena parcels in the District during the term of the sublease. The Arena operator has elected not to participate in the CFD at the time of formation.

EXHIBIT C  
Annexation #1 to the North Natomas TMA  
Community Facilities District No. 99-01

