



# REPORT TO COUNCIL

## City of Sacramento

# 19

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

PUBLIC HEARING  
**November 29, 2005**

Honorable Mayor and  
Members of the City Council

**Subject:** Annexation No. 1 to the North Natomas Community Facilities District No. 3 –  
Public Hearing

**Location/Council District:**

Annexation No. 1 to the North Natomas Community Facilities District (CFD) No. 3 is  
located in North Natomas in Council District 1 (Attachment A, page 4).

**Recommendation:**

Adopt a Resolution: 1) establishing the CFD annexation, providing for Levy of Special  
Tax and calling for a Special Election.

**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 landscape  
maintenance services in North Natomas. Adopting the attached Resolution will call for  
a special election on December 21, 2005 (Attachment B, page 5).

**Committee/Commission Action:** None

**Background Information:**

On June 9, 1998, City Council approved the Resolution to form CFD No. 3 that provides  
funding for landscape maintenance services in North Natomas by levying taxes on all  
developed properties.



The North Natomas Community Plan area encompasses approximately 7,400 acres along the northern city boundary. City Council adopted the North Natomas Financing Plan for the area in 1994, providing infrastructure needs as the area develops. Among other improvements, landscaping along freeways, agricultural buffers and drainage canals were included. CFD No. 3 provides funding to maintain the landscape improvements as well as other landscaping along major road corridors, light rail corridor, drainage canals, detention basin park acres, agriculture buffers and above standard width street medians.

This annexation will annex the Machado subdivision boundary into the existing CFD No. 3 boundary.

**Financial Considerations:**

There is no impact to the General Fund. Only developed properties will be subject to the CFD tax as described in Attachment 1 to Exhibit B – Maximum Special Tax Rates (pg. 17).

The maximum annual special tax rate levied on new residential properties for FY 2005/06 is \$61.97 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:**

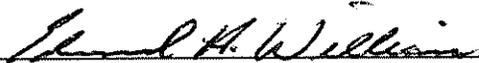
Under California Environmental Quality Act (CEQA) Guidelines, administration and annexation into a CFD do not constitute a project and therefore is exempt from review.

**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:

  
FOR ROBERT P. THOMAS  
City Manager

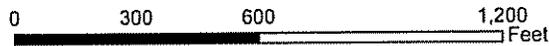
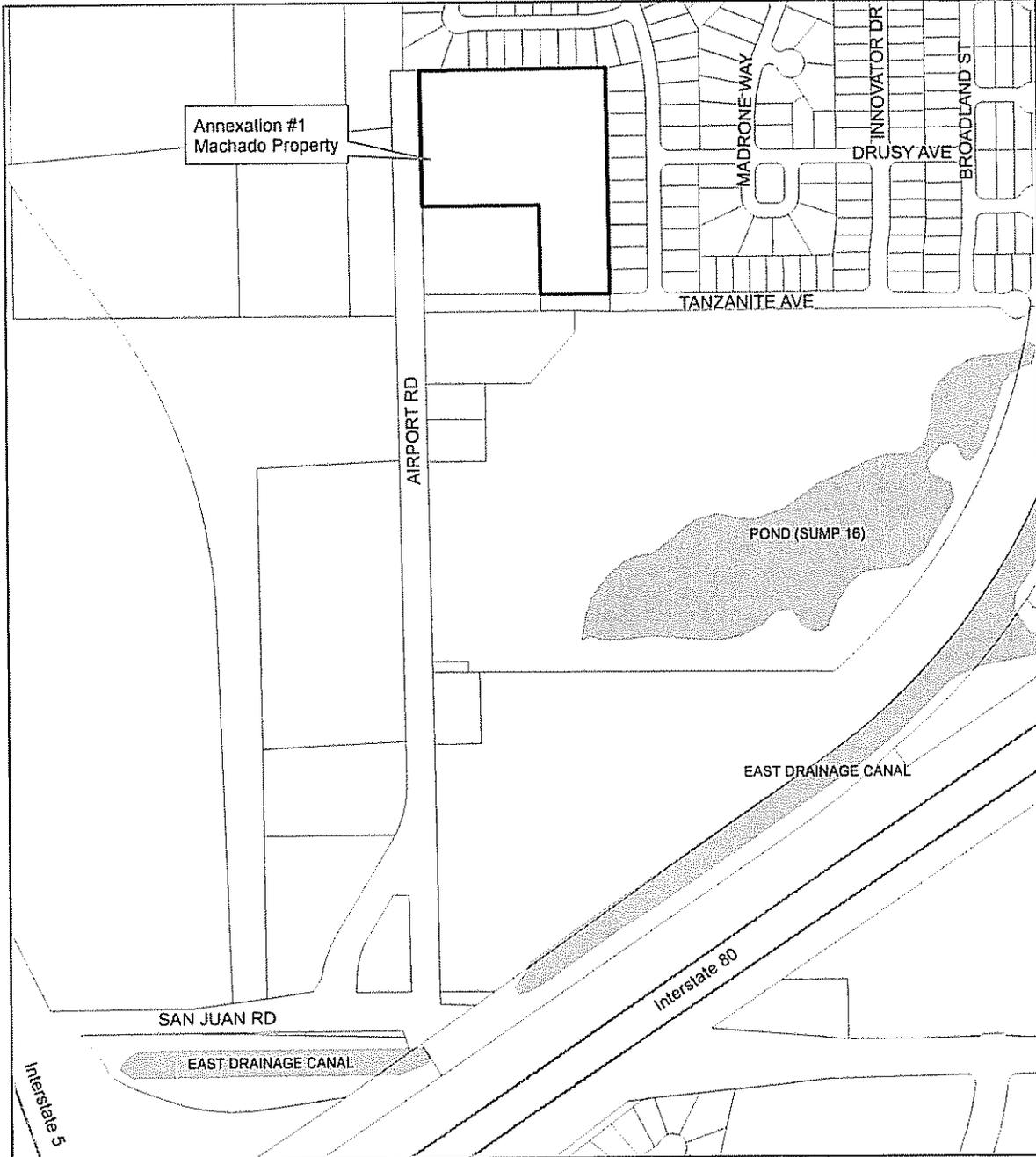
Table of Contents:

Pg 1-3	Report
Pg 4	Attachment A, Map of Territory to Be Annexed
Pg 5	Attachment B, Schedule of Proceedings
Pg 6-10	Resolution Establishing Annexation
Pg 11	Exhibit A, List of Authorized Services
Pg 12-17	Exhibit B, Rate and Method of Apportionment of Special Tax
Pg 18	Attachment 1 to Exhibit B
Pg 19	Exhibit C, Area Map of Existing & Proposed Boundaries

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# ATTACHMENT A

## Location Map



## ATTACHMENT B

### ANNEXATION NO. 1 TO THE NORTH NATOMAS COMMUNITY FACILITIES DISTRICT (CFD) NO. 3 SCHEDULE

October 25, 2005            City Council – Resolution of Intention

October 26, 2005            Mail Notice of Hearing

<b>November 29, 2005</b>	<b>City Council - Hearing, Call for Special Election</b>
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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 ESTABLISHING ANNEXATION NO. 1 TO THE NORTH NATOMAS COMMUNITY FACILITIES DISTRICT NO. 3; PROVIDING FOR THE LEVY OF A SPECIAL TAX FOR LANDSCAPING 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 previously established the City of Sacramento North Natomas Community Facilities District No. 3 (the District) in accordance with the Mello-Roos Community Facilities Act of 1982 (Gov. Code, 53311 - 53368.3) (the "Act") to finance Landscaping Maintenance Services in North Natomas and related services within the District (the "Services") in accordance with the Act. Generally described in **Exhibit A** to this resolution, the Services are necessary to meet increased demands placed upon the City as a result of development within the District. The cost of the Services includes expenses incidental to provision of the Services (including planning costs); costs of environmental evaluations; costs to establish the District and Annexation No. 1, to determine the amount of any taxes, and to collect the taxes; and costs otherwise incurred in order to carry out the authorized purposes of the District.
- B.** On October 25, 2005, the City Council adopted Resolution No. 2005-765 (the "Resolution of Intention") declaring its intention to annex territory to the District and designating that territory as North Natomas Community Facilities District No. 3, Annexation No. 1 (Annexation No. 1).
- C.** The Resolution of Intention fixed a time and place for a public hearing at which the City Council would consider (1) the addition of Annexation No. 1 to the District; (2) the proposed rate, method of apportionment, and manner of collection of a special tax to finance providing the Services for Annexation No. 1; and (3) all other matters set forth in the Resolution of Intention.
- D.** A report on the proposal to add Annexation No. 1 to the District was prepared by the City's Development Engineering and Finance Manager of the Development Services Department in accordance with the Resolution of Intention. The City Council has reviewed the report, which is incorporated into this resolution and made a part of the record of the public hearing on the Resolution of Intention.

- E. In accordance with the Resolution of Intention, the City Council convened a public hearing at 2:00 p.m. on Tuesday, November 29, 2005, in the City Council's regular meeting place: City Council Chambers, Sacramento City Hall, 915 I Street, first floor, Sacramento, California. At the hearing, the City Council considered the addition of Annexation No. 1 to 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 boundaries of Annexation No. 1, 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 following: the addition of Annexation No. 1 to the District, the levy of the special tax, the extent of the territory to be annexed, the types of Services proposed to be provided, 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. On the basis of all the foregoing, the City Council has determined to call an election within Annexation No. 1 to authorize the following: (1) the levy of a special tax on real property within Annexation No. 1 to pay for the Services proposed to be provided for Annexation No. 1 (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 Annexation No. 1.

**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 Background Statements 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 Annexation No. 1 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 Annexation No. 1. The lien will continue in effect until the collection of the special tax ceases or the lien is canceled in accordance with law.

**Section 3.** The City Council determines and finds that written protests against the establishment of Annexation No. 1, the levy of the special tax, the extent of Annexation No. 1, and the types of Services to be provided do not constitute a majority protest under the Act. Accordingly, the City Council overrules all protests to the establishment of Annexation No. 1, to the levy of the special tax, the extent of Annexation No. 1, the types of Services to be provided, or the establishment of an appropriations limit for Annexation No. 1.

**Section 4.** The City Council determines and finds that all of its prior proceedings with respect to the addition of Annexation No. 1 to 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 territory comprised by Annexation No. 1 be added to the District and that the boundaries of Annexation No. 1 are as set forth in **Exhibit C** to this resolution.

**Section 5.** Except when funds are otherwise available, a special tax will be levied annually on real property within Annexation No. 1 in an amount sufficient to do the following, as appropriate: (a) pay for the Services; (b) repay funds advanced by the City for Annexation No. 1; and (c) repay advances of funds or reimburse the value or cost (whichever is less) of work provided in kind for Annexation No. 1 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 Annexation No. 1. **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 Annexation No. 1 to estimate the maximum amount that the landowner or resident will have to pay.

**Section 6.** In accordance with Government Code section 53317.3, the City Council intends to levy the special tax on property that is not otherwise exempt from the special tax and is acquired by a public entity through a negotiated transaction or by gift or devise.

**Section 7.** In accordance with Government Code section 53317.5, the City Council intends to treat 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.

**Section 8.** In accordance with Government Code section 53340.1, the City Council intends to levy the special tax on the 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 **Wednesday, December 21, 2005**, in the territory comprised by Annexation No. 1. At the special election, the question of levying the special tax on real property within Annexation No. 1 and establishing an appropriations limit (as defined by article XIII B, section 8, subdivision (h) of the California Constitution) in the amount of **\$9,000** per fiscal year for Annexation No. 1 will be submitted to the landowners within Annexation No. 1 (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 will 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 will 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 Annexation No. 1 on the date of the special election will be qualified to vote on the proposition submitted at the special election.
- (c) The special election will 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 is directed to deliver all ballots to the qualified electors, and all voted ballots must be received at the City Clerk's office **by 5:00 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 (+) in the blank space opposite the word "YES" on the ballot to the right of those proposition. To vote against levying the special tax and establishing the appropriations limit, a voter must mark a cross (+) in the blank space opposite the word "NO" on the ballot to the right of the proposition. A cross (+) may be marked with either pen or pencil.
- (e) The City Clerk shall commence the canvass of the returns of the special election at **5:00 p.m. on Wednesday, December 21, 2005**, at the City Clerk's office, Historic Sacramento 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, January 10, 2005, at 2:00 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 Annexation No. 1 in accordance with the Act, in the amount and for the purposes specified in this resolution, and the appropriations limit will be established for Annexation No. 1, as defined by article XIII B, section 8, subdivision (h) of the California Constitution. 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 (including the repayment of funds advanced for Annexation No. 1).

**Section 12.** The Program Specialist, Special Districts, Development Services Department of the City, 1231 I Street, Sacramento, California 95814 (telephone 916-808-5628) will be responsible for preparing annually a current roll of special tax levy obligations by Sacramento County Assessor's parcel numbers, and will be responsible for estimating future special tax levies pursuant to Government Code section 53340.1.

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

**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 Annual Special Tax Rates – 1 Page  
Exhibit C: Area Map of Existing and proposed Boundary – 1 Page

## Exhibit A

### North Natomas CFD No. 3 List of Authorized Services

The authorized services include those set forth below in addition to the costs associated with collecting and administering the special taxes, and annually administering the District. The special taxes may be levied to pay for any authorized services or to accumulate funds for that purpose. The primary function of the CFD is to fund the maintenance of parks, landscape corridors, and open space facilities unique to North Natomas or above City standards. Notwithstanding the above funding objectives, the CFD's authorized services include the following:

1. The maintenance of landscaping, irrigation facilities, soundwalls and other appurtenances within or along freeway corridors, along east and west drainage canals, swale, and within and along public rights-of-way for medians and standard-width landscape corridors of four-lane and greater major roads. The maintenance of landscape corridors above standard-width will be authorized for sections of East Commerce Way, Truxel Road, Del Paso Road, and El Centro Road adjacent to residential development.
2. The maintenance of landscaping, recreation facilities, irrigation facilities, lighting and other appurtenances within neighborhood and community parks and designated conjunctive use park land within drainage detention basins.
3. The maintenance of landscaping, irrigation facilities, and other appurtenances within agriculture buffers.
4. The maintenance and repair of off-street bikeways, including bikeway bridges and structures.
5. The maintenance of landscaping, irrigation facilities, and other appurtenances within light rail alignment with an irrevocable offer to dedicate (I.O.D.) prior to construction of light rail facilities.
6. Miscellaneous maintenance and landscape capital improvements, repair and replacement.
7. CFD formation and annual administration costs of the District.
8. Miscellaneous cost related to any of the items described above including planning, engineering, legal and administration.

## Exhibit B

City of Sacramento, California  
North Natomas  
Community Facilities District No. 3

### 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. 3 (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.

**"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 Services 2) 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 the CFD.

**"Base Fiscal Year"** means the Fiscal Year beginning July 1, 1998 and ending June 30, 1999.

**"CFD"** means the North Natomas Community Facilities District No. 3 of the City of Sacramento, California.

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

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

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

**"Developed Parcel"** means a Parcel which has:

- an approved final small lot map for residential uses permitting up to 2 units per lot,
- an approved special use permit for residential use permitting 3 or more units per lot, or
- an approved special use permit for Non-Residential Development or Sports Complex.

Once classified as developed, no Parcel shall be removed from the developed classification unless the special use permit expires, is revoked, or is otherwise terminated.

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

**"Gross Acres"** means the entire area of a Parcel prior to dedication of major streets, schools, parks, open space and other public right-of-way.

**"Gross Developable Acres"** means the area of a Parcel associated with residential and non-residential uses after dedication of major streets, but prior to dedication of minor streets.

**"Land Use Category 1"** means a Developed Parcel with an approved land use for a single family, detached residential dwelling unit.

**"Land Use Category 2"** means a Developed Parcel with an approved land use for a duplex (two units per lot) or condominium (more than two attached dwelling units which are owned individually).

**"Land Use Category 3"** means a Developed Parcel with an approved land use for other than Land Use Category 1 or 2 land uses such as three or more attached residential units owned in common, non-residential uses, or a combination thereof.

**"Land Use Category 4"** means the City-owned parcels designated in the Community Plan as Sports Complex with Assessor's Parcel Numbers 225-0070-076, 225-0070-059, 225-0070-060, 225-0070-063 and 225-0070-067 and their successors. These Parcels shall be classified as a Tax Exempt Parcel until controlled by a private party through fee ownership, lease, or other similar arrangements. If a land use entitlement is granted for

other than a permitted Sports Complex, parcel(s) receiving such entitlement will revert to Land Use Category 1, 2 or 3.

**"Land Use Category 5"** means a Large Lot Final Map Parcel.

**"Large Lot Final Map Parcel"** means a Parcel which has:

- an approved large lot final map, or
- an approved final master parcel map.

**"Master Parcel Map"** means a map that subdivides large tracts of land into smaller parcels for the purpose of later selling or otherwise transferring the parcels for further subdivision in accordance with City procedures, or for the purpose of securing financing, together with planning and construction of infrastructure elements, but not for the purpose of creating either individual residential lots for sale to end-user homeowners, and not for the purpose of allowing construction or other improvements on non-residential parcels.

**"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 acres or 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.

**"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.

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

**"Non-Residential Development"** means a Taxable Parcel designated for commercial, office, or light industrial as defined in the North Natomas Community Plan.

**"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 as described below. Any such Parcel shall be a Tax-Exempt Parcel.

**"Special Tax(es)"** mean(s) any tax levy under the Act 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 not a Tax-Exempt 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) and (ii) Undeveloped Parcels. Certain non-developable privately-owned Parcels may also be exempt from the levy of Special Taxes as determined by the City such as common areas, wetlands, and open space.

**"Undeveloped Parcel"** means a Parcel which is not a Developed Parcel or a Large Lot Final Map Parcel.

### **3. Duration of the Special Tax**

Parcels in the CFD will remain subject to the service 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 Taxable Parcel is to be further classified as a Developed Parcel, Large Lot Final Map or Undeveloped Parcel. Once classified as developed, no Parcel shall be removed from the developed classification unless the special use permit expires, is revoked, or is otherwise terminated.
3. Each Developed Parcel will be classified as Land Use Category 1, 2, 3 or 4.

4. Each Large Lot Final Map Parcel will be classified as Land Use Category 5.

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. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel is not needed for public use and is converted to a taxable use or transferred to a private owner, it shall become subject to the Special Tax. The Maximum Annual Special Tax for such a Parcel shall be assigned according to the 4.A and 4.B above. Conversely, if a privately owned parcel is converted to a public use, 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. Computes 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 steps:
  - Determine if sufficient special tax revenues are available by taxing each Developed Parcel at 100% of its Maximum Annual Special Tax. If revenues are greater than the Annual Costs, the tax is reduced proportionately against Developed Parcels until the tax levy is set at an amount sufficient to cover Annual Costs.
  - If revenues from taxing Developed Parcels at 100% of their Maximum Annual Special Tax are not sufficient, the City will then proportionately levy the tax on Final Map Parcels up to 100% of their Maximum Annual Special Tax until the tax levy is set at an amount sufficient to cover Annual Costs.
- C. Levy on each Taxable Parcel the amount calculated above.
- D. 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.

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 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. 3 Maximum Special Tax Rates**

Land Use Category/Description	Land Use Category Definition	Base Year (1998-99) Maximum Special Tax Rate [1]		Fiscal Year 2005-06 Maximum Special Tax Rate	
<b><u>Developed Parcels</u></b>					
Land Use Category 1 Detached Residential Unit	Approved final small lot map	\$52.00	Unit	\$61.97	Unit
Land Use Category 2 Duplex / Condominium	Approved final small lot map/ Special permit	\$32.00	Unit	\$38.14	Unit
Land Use Category 3 Other Residential / Nonresidential	Special permit	\$365.00	Net Acre	\$434.99	Net Acre
Land Use Category 4 [2] Sports Complex	Special permit	\$210.00	Net Acre	\$250.26	Net Acre
<b><u>Large Lot Final Map Parcels</u></b>					
Land Use Category 5 Residential / Nonresidential / Sports Complex [2]	Approved large lot final map/ Approved final master parcel map	\$80.00	Gross Dev. Acre	\$95.28	Gross Dev. Acre
<b><u>Undeveloped Parcels</u></b>		\$0.00		\$0.00	

[1] Following the Base Year 1998-99, the Maximum Special Tax Rates will escalate annually based annually based upon the Consumer Price Index (CPI) (prior year annual average, San Francisco, All Urban Consumers (CPI-U), not to exceed 4%.

[2] Each Sports Complex parcel will be tax-exempt until controlled by a private party through fee ownership or lease.

**Notes:**

Net Acre is the area of the parcel associated with residential and nonresidential uses after dedication of all right-of-way.

Gross Developable Acre is the area of the parcel designated for residential and taxable non-residential uses after dedication of major streets, but prior to dedication of minor streets.

Gross Acre is the entire area of the parcel prior to dedication of major streets, school, parks and other right-of-way.

EXHIBIT C  
Annexation #1 to the North Natomas  
Community Facilities District No. 3

